

MARSHALL CITY COUNCIL AGENDA

MONDAY – 7:00 P.M.

June 6, 2016

- 1) CALL TO ORDER
- 2) ROLL CALL
- 3) INVOCATION – Gail Monsma, First Presbyterian 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 – Chapter §31: City Organizations P. 3
City Council will consider the recommendation to schedule a public hearing for Monday, June 20, 2016 to hear comments regarding the proposed changes to Chapter 31: City Organizations of the Code of Ordinances.
- B. Sidewalk Use License for Dark Horse Commons P. 7
City Council will consider the recommendation to approve an Annual Sidewalk Use License for Dark Horse Commons at 511 S. Kalamazoo Avenue.
- C. City Council Minutes P. 9
Regular Session..... Monday, May 16, 2016
- D. City Bills P. 33
Regular Purchases\$ 222,389.43
Purchased Power.....\$601,654.75
Weekly Purchases – 5/13/16.....\$ 40,121.10
Weekly Purchases – 5/20/16.....\$ 12,776.37
Weekly Purchases – 5/27/16.....\$ 16,426.51
Total.....\$ 893,368.16

8) PRESENTATIONS AND RECOGNITIONS

A. Binder Park Zoo Presentation

Leslie Walsh and Diane Thompson will make a presentation regarding Binder Park Zoo.

9) INFORMATIONAL ITEMS

10) PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

11) OLD BUSINESS

Mayor:

Jack Reed

Council Members:

Ward 1 - Kari Schurig

Ward 2 - Nick Metzger

Ward 3 - Brent Williams

Ward 4 - Michael McNeil

Ward 5 - Jon Gerten

At-Large - Kathy Miller



12) REPORTS AND RECOMMENDATIONS

- A. Joint Pole Use Agreement with Consumers Energy Co. P. 41**
City Council will consider the recommendation to approve entering into a Joint Pole Use Agreement with Consumers Energy and authorize the Clerk to sign the agreement and approve the upfront estimated payment of \$75,485 to Consumers Energy for the required work associated with the transferring of their distribution facilities to the new Marshall owned 138kv electric transmission line.
- B. Removal of Downtown Parking Meters P. 63**
City Council will consider the recommendation to remove the meters and posts for the downtown parking meters.
- C. Fire Union Agreement P. 64**
City Council will consider the recommendation to approve the Contract with Local 1929 International Association of Firefighters.
- D. Annual Compensation of Administrative Officials, Department Heads, and Salaried Personnel P. 66**
City Council will consider the recommendation to approve the proposed FY17 wages for the administrative officials, department heads and salaried personnel as presented.

13) APPOINTMENTS / ELECTIONS

- A. City Attorney Appointment**
- B. Parks and Recreation Board**
City Council will consider the recommendation to approve the reappointment of Mitch Robbins, Travis Winchell, and Mitchell Jeffery to the Parks and Recreation Board with terms expiring July 1, 2019.
- C. Brooks Nature Area Advisory Board**
City Council will consider the recommendation to approve the reappointment of Ben Lark and Vicki Knickerbocker to the Brooks Nature Area Advisory Board with terms expiring August 15, 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,

Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
June 6, 2016 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members

FROM: Justin Miller, Recreation Superintendent
Kristin Bauer, Director of Public Services
Natalie Dean, Director of Community Services/
Assistant City Manager
Tom Tarkiewicz, City Manager

SUBJECT: Set Public hearing for June 20, 2016 to hear comments on the proposed changes to Chapter §31: City Organizations.

BACKGROUND: Within the past few months, the Recreation Department has undergone staffing changes, promoting Justin Miller to Recreation Superintendent, Jessica Baier to Program Coordinator and Caleb Chapman to Assistant Program Coordinator. Due to these changes, staff has reviewed administrative files to ensure that they maintained a true reflection of the department's operations. Noticing outdated verbiage, staff proposed changes to Chapter §31: City Organization of the City Ordinance.

Many of the changes to the ordinance have to do with replacing the phrase "Director of Parks, Recreation and Cemetery" with "Director of Public Services and Recreation Administrator" to reflect the current status of City Departments. Additionally, references to the Civic Center have been removed. The Parks, Recreation and Cemetery Board has reviewed the proposed revisions.

RECOMMENDATION: The Parks, Recreation and Cemetery Board is recommending that a public hearing be set for June 20, 2016 to hear comments on the proposed changes to Chapter §31: City Organizations.

FISCAL EFFECTS: None at this time.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Justin Miller
Recreation Administrator

Kristin Bauer
Director of Public Services

Natalie Dean
Director of Community Services/
Assistant City Manager

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**CITY OF MARSHALL
ORDINANCE #-16**

AN ORDINANCE TO AMEND CITY OF MARSHALL CODE, CHAPTER 31: CITY ORGANIZATIONS. THE CITY OF MARSHALL HEREBY ORDAINS:

Section 1. That chapter and section **§31.01 Created; Function** of the Marshall City Code, is hereby amended to the following:

The Parks, Recreation and Cemetery Departments are hereby created for the city. The function of the departments is to provide opportunities for wholesome year-round recreation and other leisure time activities for all age groups and to supervise and manage the use and a maintenance of municipal parks and the city cemetery.

Section 1a. That chapter and section **§31.02 Director** is amended to be changed to **§31.02 Administration** and be amended to the following:

- A. The Director of Public Services and Recreation Administrator shall be hired by the City Manager.
- B. The Director of Public Services and Recreation Administrator shall:
 - 1. Be responsible for the overall administration, management, planning, organization, maintenance and supervision of the parks, recreation, and cemetery departments;
 - 2. Represent the parks, recreation, and cemetery departments on all department matters coming before the City Council;
 - 3. Submit annually a proposed operating budget for the ensuing fiscal year, in accordance with legal requirements, for the departments;
 - 4. Be responsible for the employment and supervision of all personnel of the departments in conformity with personnel rules and regulations and classification plan established by the city;
 - 5. Coordinate the activities of the parks, recreation, and cemetery departments with other groups to achieve the highest degree of cooperation and promotion of sound recreation goals and other applicable appropriate public functions; and
 - 6. Be responsible for the planning of all recreation, parks, and cemetery programs and see that such activities and programs are carried out in a safe and healthful manner.

Section 1b. That chapter and section **§31.03 Recreation Fund** be amended to the following:

- A. There is hereby created a recreation fund under the jurisdiction of the Treasurer, into which all funds levied, collected or derived for recreation purposes of the city shall be deposited. The funds shall not be commingled with park and cemetery funds or appropriations.

- B. Expenditures may be made from the recreation fund in accordance with the budget and appropriations approved by the City Council in accordance with legal requirements and rules established thereunder. Vouches for the payment of any claims shall be approved by the Recreation Administrator and submitted to the Treasurer for payment. The Recreation Administrator shall request such services as may be required from other city departments and the cost of the services shall be charged against the Recreation Fund.

Section 1c. That chapter and section **§31.17 Terms** be amended to the following:

The terms of office for the Parks, Recreation, and Cemetery Board shall be for three years commencing on July 1 and ending June 30.

Section 1d. That chapter and section **§31.20 Organization** be amended to the following:

- A. The members of the Parks, Recreation, and Cemetery Advisory Board shall, at their first meeting in July of each year, organize and elect one of their board members as Chairperson and one as Vice-Chairperson.
- B. A majority of the Board shall constitute a quorum for the transaction of business.
- C. The Recreation Administrator or designee shall act as the Board Secretary.

Section 1e. That chapter and section **§31.21 Duties** be amended to the following:

It shall be the duty of the Parks, Recreation and Cemetery Board to:

- A. Act in an advisory capacity to the City Council and the Director of Public Services and Recreation Administrator in all matters pertaining to public recreation, municipal parks, city cemetery, and to cooperate with all governmental agencies in the advancement of sound planning, and programming;
- B. Aid the Director of Public Services and Recreation Administrator in making plans for the conduct of recreation activities, use of municipal parks, and the city cemetery;
- C. Interpret the recreation programs to public officials and interested citizens in order to promote understanding and financial support from public and private sources;
- D. Recommend to the City Council the establishment of general policies with respect to the Parks, Recreation and Cemetery Departments;
- E. Assist the Director of Public Services and Recreation Administrator in the preparation of rules and regulations for the use of parks, recreation and cemetery facilities and participation in recreation programs, which shall be recommended to the City Council for consideration and adoption; and
- F. Advise the Director of Public Services and Recreation Administrator in the preparation of the annual operating budgets for the departments.

Section 2. This Ordinance [or a summary thereof as permitted by MCL 125.3401] shall be published in the *Marshall Chronicle*, a newspaper of general circulation in the City of Marshall qualified under state law to publish legal notices. This Ordinance shall be recorded in the Ordinance Book and such recording shall be authenticated by the signatures of the Mayor and the City Clerk.

Section 3. This Ordinance is declared to be effective immediately upon publication.

Adopted and signed this _____ day of _____, 2016.

Jack Reed, MAYOR

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 an ordinance approved by the City Council, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on June 20, 2016, 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 by said Act.

Trisha Nelson, CITY CLERK



ADMINISTRATIVE REPORT
June 6, 2016 – CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members

FROM: Trisha Nelson, Clerk
Tom Tarkiewicz, City Manager

SUBJECT: Sidewalk Use License

BACKGROUND: In accordance with Section 90-16(c) of the Marshall City Code, City Council may license.....an outdoor restaurant, café and other public/private sidewalk uses under such terms and conditions as the Council may determine upon submittal of a sidewalk use application. Dark Horse Commons has submitted their application, certificate of insurance, a sketch of the outdoor seating area, and paid the proper fee.

RECOMMENDATION: Approve the annual license for Dark Horse Commons.

FISCAL EFFECT: \$100 license fee.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Trisha Nelson
Clerk

Tom Tarkiewicz
City Manager

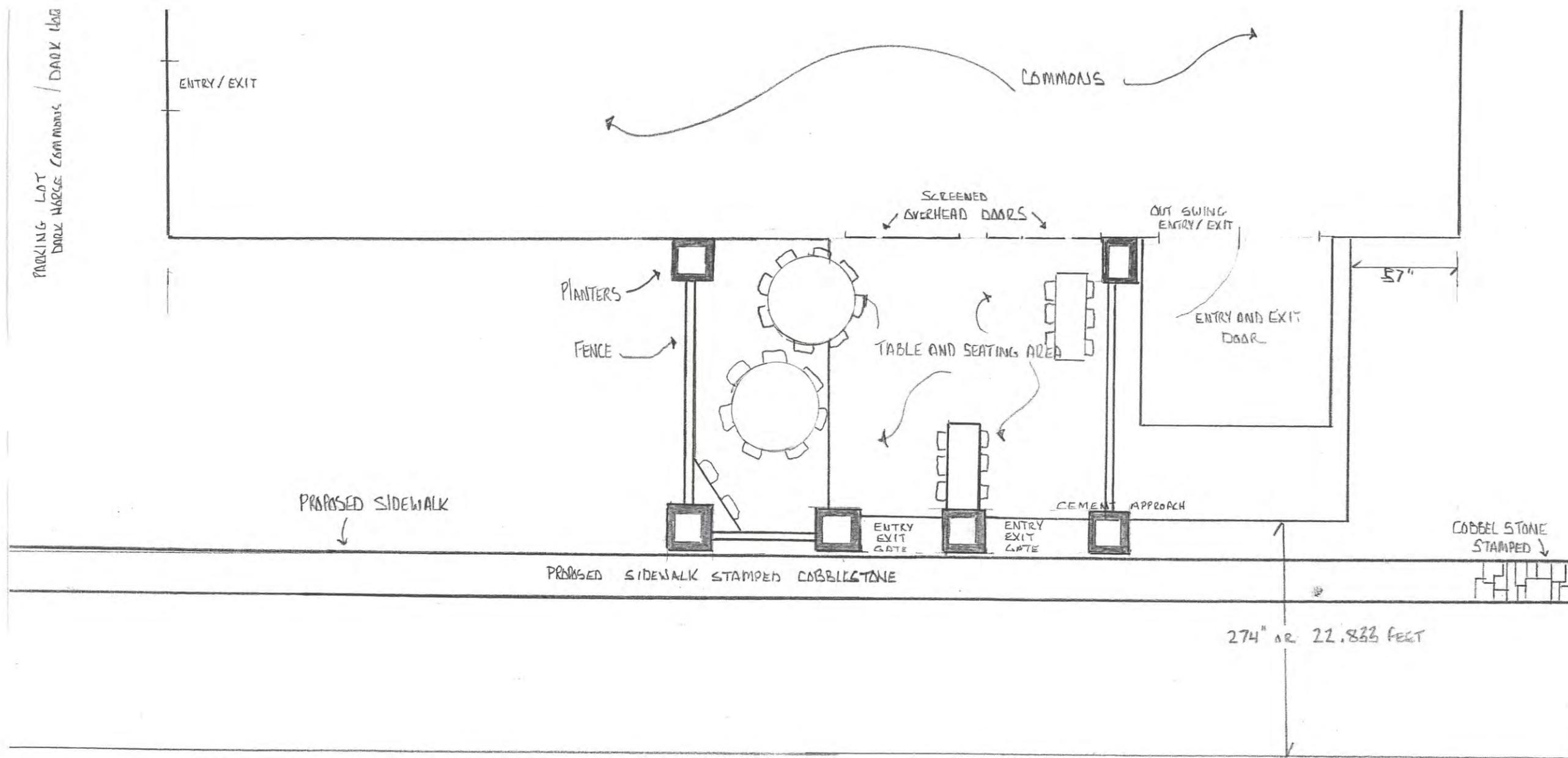
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ROAD - KALAMAZUS AVE

PROPOSED PATIO/OUTDOOR SEATING FOR
 DARK HORSE COMMONS - DARK STREET ROASTERY AND COFFEE HOUSE / DARK HORSE BAKERY / DARK HORSE CREAMERY
 AND DARK HORSE CANDY SHOP

CALL TO ORDER

IN REGULAR SESSION Monday, May 16, 2016 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 Reed.

ROLL CALL

Roll was called:

Present: Council Members: McNeil, Metzger, Miller, Mayor Reed, and Schurig.

Also Present: City Manager Tarkiewicz and Clerk Nelson.

Absent: Council Members Gerten and Williams.

Moved Schurig, supported Miller, to excuse the absence of Council Members Gerten and Williams. On a voice vote – **MOTION CARRIED.**

INVOCATION/PLEDGE OF ALLEGIANCE

Kris Tarkiewicz of Family Bible Church gave the invocation and Mayor Reed led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Moved Schurig, supported McNeil, to approve the agenda with the removal of item 12F. Annual Compensation of Administrative Officials, Department Heads, and Salaried Personnel. On a voice vote – **MOTION CARRIED.**

PUBLIC COMMENT ON AGENDA ITEMS

None.

CONSENT AGENDA

Moved Metzger, supported McNeil, to approve the Consent Agenda:

- A. Adopt the Resolution of Intent to authorize the City of Marshall to seek financial assistance from the State of Michigan for Fiscal Year 2016-2017;
- B. Received the FY 2017-2018 Administrative Chain of Command Appointments;
- C. Minutes of the City Council Regular Session held on Monday, May 2, 2016;
- D. Approve city bills in the amount of \$ 299,343.21.

On a roll call vote – ayes: McNeil, Metzger, Miller, Mayor Reed, and Schurig; nays: none. **MOTION CARRIED.**

PRESENTATIONS AND RECOGNITION

Mayor Reed presented resolutions to Elizabeth Petersen and Rachel Fisher to express congratulations and public appreciation on the occasion of earning the Girl Scout Gold Award.

INFORMATIONAL ITEMS

None.

PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

A. Obsolete Property Exemption Application for 101 W. Michigan Avenue:

Finance Director Jon Bartlett provided background regarding the process for granting an Obsolete Property Rehabilitation Exemption and explained that the previously adopted resolution contained an incorrect date that has been corrected.

Mayor Reed opened the public hearing to hear public comment on the Application for an Obsolete Property Rehabilitation Exemption Certificate for 101 West Michigan Avenue.

Hearing no comment, the hearing was closed.

Moved McNeil, supported Schurig, to adopt the resolution and accept the Application for an Obsolete Property Rehabilitation Exemption Certification for 101 West Michigan Avenue. On a voice vote - **MOTION CARRIED.**

**CITY OF MARSHALL
RESOLUTION #2016-22**

**RESOLUTION TO APPROVE AN OBSOLETE PROPERTY REHABILITATION
EXEMPTION CERTIFICATE APPLICATION
PA 146 OF 2000 AS AMENDED**

Minutes of a regular meeting of the City Council of the City of Marshall, held on May 16, 2016, in City Hall Council Chambers at 7:00 p.m.

PRESENT: McNeil, Metzger, Miller, Mayor Reed, and Schurig.

ABSENT: Gerten and Williams.

The following preamble and resolution was offered by McNeil, and supported by Schurig.

Resolution 2016-22 Approving Obsolete Property Rehabilitation Exemption Certificate Application for Cronin Building Development LLC, Located at 101 W. Michigan Ave, Marshall MI

WHEREAS, pursuant to PA 146 of 2000, the City of Marshall is a Qualified Local Governmental Unit eligible to establish one or more Obsolete Property Rehabilitation Districts; and

WHEREAS, the City of Marshall legally established the Obsolete Property Rehabilitation District (Cronin Building Obsolete Property Rehabilitation District #001) on April 20, 2015, after a public hearing held on April 20, 2015; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total taxable value of the City of Marshall; and

WHEREAS, the application was approved at a public hearing as provided by section 4(2) of Public Act 146 of 2000 on May 16, 2016; and

WHEREAS, Cronin Building Development LLC is not delinquent in any taxes related to the facility; and

WHEREAS, the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000; and

WHEREAS, the applicant, Cronin Building Development LLC, has provided answers to all required questions under the application instructions to the City of Marshall; and

WHEREAS, the City of Marshall requires that rehabilitation of the facility shall be completed by December 31, 2016; and

WHEREAS, the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District; and

WHEREAS, the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in the City of Marshall eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, and revitalize the downtown area, in which the facility is situated; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marshall Be and hereby is granted an Obsolete Property Rehabilitation Exemption for the real property, excluding land, located in Obsolete Property Rehabilitation District (Cronin Building Obsolete Property Rehabilitation District #001) at 101 W. Michigan Ave. for a period of 12 years, beginning December 31, 2016, and ending December 31, 2028, pursuant to the provisions of PA 146 of 2000, as amended.

AYES: McNeil, Metzger, Miller, Mayor Reed, and Schurig.

NAYS: None.

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of the City of Marshall, County of Calhoun, Michigan at a regular meeting held on May 16, 2016.

Trisha Nelson
Clerk, City of Marshall

B. Fiscal Year 2017 Budget Adoption:

Finance Director Jon Bartlett provided background regarding the FY 2017 Budget. The City Council held a budget work session on April 18, 2016 to discuss the budget and recommend changes.

Mayor Reed opened the public hearing to hear comment on the proposed FY 2017 Budget and related property tax millage rates.

Rob McCain, Vice President of the Marshall Firefighters Local 1929, thanked City Council for their hard work of this year's budget and expressed their support with moving forward.

Hearing no further comment, the hearing was closed.

Moved Metzger, supported McNeil, to adopt the resolution to approve the Fiscal Year 2017 and related property tax millage rates for Fiscal Year 2017. On a roll call vote – ayes: Miller, Mayor Reed, Schurig, McNeil, and Metzger; nays: none. **MOTION CARRIED.**

CITY OF MARSHALL, MICHIGAN
RESOLUTION #2016-23

THE CITY OF MARSHALL
GENERAL APPROPRIATION ACT AND TAX LEVY RESOLUTION
July 1, 2016 – June 30, 2017

THE CITY OF MARSHALL RESOLVES that the expenditures for the fiscal year, commencing July 1, 2016, and ending June 30, 2017, are hereby appropriated on a departmental and fund total basis as follows:

GENERAL FUND REVENUES

Taxes	\$3,502,884
Licenses and Permits	67,000
Intergovernmental Revenues	811,136
Charges for Services	61,600
Fines and Forfeits	50,300
Interest	6,500
Miscellaneous	284,150
Other Financing Sources	1,824,424
Marshall Reg. Law Enforce.	333,811
Recreation	395,605
Farmer's Market	22,959
Composting	15,750
Airport	<u>158,500</u>
Total Revenues	\$7,534,619

GENERAL FUND EXPENDITURES

City Council	\$4,108
City Manager	192,285
Assessor	164,111
Attorney	50,000
Human Resources	86,254
Clerk	96,835
Finance/Treasurer	532,053
City Hall	74,153
Chapel	1,400
Other City Property	30,000
Cemetery	133,728
Non-Departmental	529,823
Police	1,663,037
Crossing Guards	14,224
Dispatch	112,000
Fire	909,032
Inspection	141,977
Planning/Zoning	109,818
Streets	855,258
Engineering	54,581

PSB Operations	123,703
Parks	152,712
Capital Improvements	27,900
Transfers Out	653,446
Marshall Reg. Law Enforce.	212,836
Recreation	418,854
Farmer's Market	17,614
Composting	65,056
Airport	<u>160,467</u>
Total Expenditures	\$7,587,652

Overall General Fund balance reserves shall be decreased by \$53,033 based on the FY 2017 revenues and expenditures for the General Fund budget. There is a \$27,900 planned use of fund balance for General Fund capital outlay.

The City Council does hereby levy a tax of 17.1629 mills for the period of July 1, 2016, through June 30, 2017 on all real and non-exempt personal taxable property in the City of Marshall, according to the valuation of the same. This tax is levied for the purpose of defraying the general expense and liability of the City of Marshall and is levied pursuant to Section 8.01, Article 8 of the Charter of the City of Marshall.

The City Council does hereby levy a tax of .5000 mills for the period of July 1, 2016, through June 30, 2017, on all real and non-exempt personal taxable property in the City of Marshall, according to the valuation of the same. This tax is levied for the purpose of defraying the expense of operating the Leaf, Brush and Trash Removal Services of the City of Marshall as authorized by a vote of the citizens on November 6, 2012 (renewal vote on this millage is set for November 2016).

The City Council does hereby levy a tax of .4840 mills for the period of July 1, 2016, through June 30, 2017, on all real and non-exempt personal taxable property in the City of Marshall, according to the valuation of the same. This tax is levied to operate the Dial-A-Ride Transportation System in the City of Marshall as authorized by a vote of the citizens on August 5, 1975.

The City Council does hereby levy a tax of .9393 mills for the period of July 1, 2016, through June 30, 2017, on all real and non-exempt personal taxable property in the City of Marshall, according to the valuation of the same. This tax is levied for the purpose of defraying the expense of operating the Recreation Department of the City of Marshall as authorized by a vote of the citizens on April 4, 1959.

The City Council does hereby levy a tax of 1.6129 mills for the period of July 1, 2016, through June 30, 2017, on all real and non-exempt personal taxable property in the City of Marshall, according to the valuation of the same in a district known as the Downtown Development District. This tax is levied for the purpose of defraying the cost of the Downtown Development Authority.

	<u>PROPOSED FY 2017</u>	<u>ACTUAL FY 2016</u>	<u>DIFFERENCE</u>
General Operating	17.1629	17.1629	0.0000
Leaf, Brush and Trash Removal Services	.5000	.4000	0.1000
Recreation	.9393	.9393	0.0000
Dial-A-Ride	.4840	.4840	0.0000
Downtown	1.6129	1.6129	0.0000
Development Authority	_____	_____	_____
TOTAL	20.6991	20.5991	0.1000

The City Manager is authorized to make budgetary transfers within the appropriation centers established through this budget, and that all transfers between departments or funds may be made by the City Manager in an amount not to exceed \$20,000 per year without prior Council approval pursuant to Section 19.2 of the provisions of the Michigan Uniform Accounting and Budgeting Act.

The City Council establishes the budget for the period of July 1, 2016, through June 30, 2017 for the following funds in the amounts set forth below:

<u>ALL FUNDS REVENUES</u>	
General Fund	\$6,607,994
MVH-Major & Trunkline	534,786
MVH-Local	315,160
Leaf, Brush and Trash Removal	96,720
Local Development Finance	419,000
Downtown Development	172,740
Marshall House	754,510
Electric	15,831,000
Dial-a-Ride	585,158
Wastewater	1,540,100
Water	1,587,600
Data Processing	151,905
Motor Pool	<u>698,950</u>
Total Revenues	\$30,222,248

<u>ALL FUNDS EXPENDITURES</u>	
General Fund	\$7,587,652
MVH-Major & Trunkline	628,603

MVH-Local	324,024
Leaf, Brush and Trash Removal	96,677
Local Development Finance	384,990
Downtown Development	228,823
Marshall House	1,186,235
Electric	16,810,736
Dial-a-Ride	628,600
Wastewater	2,224,370
Water	1,679,161
Data Processing	178,605
Motor Pool	<u>1,679,161</u>
Total Expenditures	\$32,807,554

Total fund balance reserves shall be decreased by \$2,585,306 based on the FY 2017 revenues and expenditures for All Funds.

The City Council of the City of Marshall did give notice of the time and place when a public hearing on adoption of the budget would be held in accordance with Public Act 43 of 1963, proof of publication of the Notice of Public Hearing is now on file, and which Public Hearing was duly held pursuant to said notice and in conformity therewith. A copy of the budget proposal was on file with the City Clerk and available for public inspection for at least one week prior to adoption of the budget; and

Further, the City Council of the City of Marshall did give notice of the time and place when a public hearing would be held in conformity with the provisions of Public Act 5 of 1982 authorizing a tax rate in excess of the present authorized tax rate for General Operating, Recreation, Dial-A-Ride and Downtown Development Authority tax levies, proof of publication of Notice of Public Hearing is now on file, and which Public Hearing was duly held pursuant to said notice and in conformity therewith; and

This Resolution shall take effect July 1, 2016.

Dated: May 16, 2016

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 May 16, 2016, 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

OLD BUSINESS

None.

REPORTS AND RECOMMENDATIONS

A. Resolution Authorizing Issuance and Sale of 2016 General Obligation Limited Tax Bonds not to exceed \$8,300,000:

Moved Schurig, supported Miller, to recuse Council Member McNeil from voting on the resolution authorizing issuance and sale of the bonds due to a conflict of interest. On a voice vote – **MOTION CARRIED.**

Moved Miller, supported Metzger, to approve the resolution authorizing issuance and sale of 2016 General Obligation Limited Tax Bonds and Refunding Bonds in an amount not to exceed \$8,300,000 and to authorize the City Manager or Finance Director the ability to sell and deliver the bonds without any further Council action. On a roll call vote – ayes: Schurig, Metzger, Miller, and Mayor Reed; nays: none. **MOTION CARRIED.**

**City of Marshall
Resolution #2016- 24**

County of Calhoun, State of Michigan

**RESOLUTION AUTHORIZING ISSUANCE AND SALE OF
2016 GENERAL OBLIGATION LIMITED TAX AND REFUNDING BONDS**

A RESOLUTION TO APPROVE:

- Net Present Value Savings through issuing Bonds to refund various Limited Tax General Obligation debt obligations of the City;
- Bonds issued for refunding to be included in a single series with bonds issued to construct the electric distribution substation;
- Bonds to be a First Budget Obligation secured by Pledge of City's Full Faith and Credit;
- Negotiated Sale of Bonds;
- City Manager or Finance Director authorized to sell Bonds without further Council Resolution;
- Other matters relative to sale and delivery of Bonds.

PREAMBLE

WHEREAS, the City of Marshall, County of Calhoun, State of Michigan (the "City") established the Marshall Building Authority (the "Building Authority"); and

WHEREAS, the Building Authority leases a garage to the City for use by the electric and water department pursuant to the provisions of a certain Limited Tax Full Faith and Credit General Obligation Contract of Lease between the City and the Building Authority dated May 30, 2000 (the "Contract"); and

WHEREAS, pursuant to the Contract, the Building Authority has previously issued its Building Authority Refunding Bonds, Series 2005 (General Obligation Limited Tax), dated as of June 16, 2005 (the "2005 Bonds"), and the City pays cash rentals to the Building Authority under the Contract to provide for payment of the 2005 Bonds; and

WHEREAS, Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), authorizes the City to issue bonds to refund an outstanding security such as the Contract if the refunding would result in net present value savings; and

WHEREAS, the City has previously issued its (a) Electric Utility System Revenue Bonds, Series 1999 dated as of June 1, 1999 (the "1999 Bonds"), (b) 2002 Downtown Development Bonds (General Obligation Limited Tax) dated as of June 1, 2002 (the "2002 Bonds"), (c) General Obligation Limited Tax Bonds, Series 2004 dated August 24, 2004 (the "2004 Bonds"), (d) 2006 Limited Tax General Obligation Bonds dated July 6, 2006 (the "2006 Bonds"), and (e) 2007 Limited Tax General Obligation Bonds dated May 30, 2007 (the "2007 Bonds"); and

WHEREAS, Bendzinski & Co., Registered Municipal Advisors with the Municipal Securities Rulemaking Board (the "Municipal Advisor") has advised the City that the current conditions in the bond market could permit all or a portion of the 1999 Bonds, the 2002 Bonds, the 2004 Bonds, the 2005 Bonds, the 2006 Bonds and the 2007 Bonds (collectively, the "Prior Bonds") to be refunded at a significant savings; and

WHEREAS, the City has previously determined it to be necessary for the public health, safety and welfare of the City and its residents to (a) acquire the improvements financed with the 1999 Bonds through refunding the 1999 Bonds, and (b) construct a new electric distribution substation in the I-94/Brewer St. area, together with any appurtenances and attachments thereto and any related easement or site acquisition or site improvements (collectively, the "Capital Improvements"); and

WHEREAS, under the provisions of Section 517 of Act 34, a city may issue municipal securities to pay the cost of any capital improvement items within the limitations provided by law; and

WHEREAS, as required by Act 34, on November 7, 2015 the City published in *The Marshall Advisor/Chronicle* a Notice to Electors and Taxpayers of the City of Intent to issue bonds secured by the taxing power of the City and right of referendum thereon which described issuance of bonds in an amount not to exceed \$4,300,000 for the purpose of paying costs to acquire and construct the Capital Improvements including refunding of the 1999 Bonds, and no valid petitions were filed with the City Clerk requesting referendum on issuance of the bonds; and

WHEREAS, the City proposes to issue its 2016 General Obligation Limited Tax and Refunding Bonds in a principal amount not-to-exceed \$8,300,000 (the "Bonds") in a single series for the purposes of paying the costs of acquiring and constructing the Capital Improvements and refunding all or a portion of the Prior Bonds; and

WHEREAS, the Municipal Advisor has recommended that the City select Robert W. Baird & Co., Incorporated as managing underwriter for the Bonds (the "Underwriter") at a negotiated sale; and

WHEREAS, Act 34 permits the City to authorize, within limitations which shall be contained in the authorization resolution of the governing body, an officer to sell and deliver and receive payment for obligations, approve interest rates or methods for fixing 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 and procedures necessary to complete the transactions authorized; and

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

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Bond Details. Bonds of the City designated as the 2016 GENERAL OBLIGATION LIMITED TAX AND REFUNDING BONDS shall be issued in the aggregate principal amount of not to exceed Eight Million Three Hundred Thousand (\$8,300,000), as finally determined by the Authorized Officer at the time of sale of the Bonds, for the purposes of paying the costs of acquiring and constructing the Capital Improvements and paying costs to refund all or a portion of the Prior Bonds, including payment of legal, engineering, financial and other expenses incident thereto; provided that bonds shall only be issued to pay the costs of refunding the Prior Bonds if the refunding results in present value savings after payment of the costs of issuance related to the refunding.

The Bonds shall mature as serial bonds or term bonds on April 1 in the years and in the amounts as shall be determined by the Authorized Officer at the time of sale of the Bonds, provided that the date of the first maturity shall not be earlier than 2017, and that the date of the final maturity shall not be later than 2035. The Bonds shall bear interest at a rate or rates to be determined by the Authorized Officer at the time of sale of the Bonds but not to exceed 6.00% per annum, payable on October 1, 2016 or such other initial interest payment date as shall be determined at the time of sale of the Bonds, and semiannually thereafter on April 1st and October 1st of each year. The Bonds shall be subject to mandatory and/or optional redemption prior to maturity as determined by the Authorized Officer at the time of sale of the Bonds.

The principal of the Bonds shall be payable at the bank or trust company to be designated as registrar and transfer agent for the Bonds (the "Transfer Agent") by the

Authorized Officer. The Bonds shall be registered as to principal and interest and shall be in the denomination of \$5,000 or integral multiples of \$5,000 not exceeding for each maturity the maximum principal amount of such maturity, dated as of the date of delivery thereof or such other date as may be determined at the time of sale of the Bonds, and numbered as determined by the Transfer Agent. The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York ("DTC"), and the Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry-only form and to make such changes in the form of the Bonds within the parameters of this Resolution as may be required to accomplish the foregoing. CUSIP identification numbers will be printed on the Bonds provided that 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.

Interest on the Bonds shall be payable by check drawn on the Transfer Agent mailed to the registered owner at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. 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 the registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. The principal of the Bonds shall be payable at the corporate trust office of the Transfer Agent upon presentation and surrender of the appropriate bond. Notwithstanding the foregoing, if the Bonds are held in book-entry form by DTC, payment shall be made in the manner prescribed by DTC.

The Authorized Officer is authorized to execute an agreement with the Transfer Agent on behalf of the City. The City may designate a new Transfer Agent by notice mailed to the registered owner of each of the Bonds at such time outstanding not less than sixty (60) days prior to an interest payment date.

If in the future the City calls Bonds for redemption prior to maturity then official notice of redemption shall be given by the Transfer Agent on behalf of the City, unless waived by any registered owner of bonds to be redeemed, and shall conform to the requirements set forth in the Bond. 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 redemption date; the redemption price or premium; the place where bonds called for redemption are to be surrendered for payment; and that interest on bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date. In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

The Bonds shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk, and the corporate seal of the City shall be manually impressed or a facsimile thereof shall be printed on the Bonds. No Bond

authorized under this resolution shall be valid until authenticated by an authorized representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Authorized Officer of the City upon payment of the purchase price for the Bonds in accordance with the Bond Purchase Agreement for the 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

2. Full Faith and Credit Pledge. The City expressly and irrevocably pledges its full faith and credit for the prompt and timely payment of the principal of and interest on the Bonds. The City intends to pay a portion of the principal and interest of the Bonds from Electric Utility System revenues. The Bonds shall be payable, as a first budget obligation, from the general fund of the City, and the City shall levy annually ad valorem taxes on all the taxable property in the City which, taking into consideration estimated delinquencies in tax collections, shall be fully sufficient to pay the principal and interest on the Bonds provided, however, that if at the time of making any such tax levy there shall be other legally available funds for the payment of principal of and interest on the Bonds, including but not limited to revenues received from the City's Electric Utility system, then credit therefor may be taken against the levy for payment of the Bonds. The levy shall be subject to constitutional, statutory and charter tax rate limitations.

3. Bond Form. The Bonds shall be substantially in the following form with such changes as may be necessary to conform the Bonds to the final terms of sale:

[FORM OF BOND TO BE COMPLETED AFTER BOND SALE]

United States of America
State of Michigan
County of Calhoun

CITY OF MARSHALL
2016 GENERAL OBLIGATION LIMITED TAX AND REFUNDING BOND

<u>Interest</u> <u>Rate</u>	<u>Date of</u> <u>Maturity</u>	<u>Date of</u> <u>Original Issue</u>	<u>CUSIP</u>
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Registered Owner: Cede & Co.

Principal Amount:

The CITY OF MARSHALL, County of Calhoun, State of Michigan (the "City"), acknowledges itself to owe and for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on [date] and semiannually thereafter. Principal of this bond is payable upon presentation and surrender hereof at the designated 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 any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the fifteenth (15th) day of the month prior to each interest payment date, the registered owner of record, at the registered address.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of [amount], for the purposes of paying costs to acquire and construct capital improvements for use by the City and to refund outstanding obligations of the City, under and in pursuance of the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the City Council adopted on [date].

The limited tax full faith, credit and resources of the City are pledged for the payment of the bonds of this issue, and the City has pledged that it shall pay the principal of and interest on the bonds of this issue as they mature as a first budget obligation from its general fund and, after taking into account funds which the City may have legally available for payment of principal of and interest on the bonds of this issue, shall levy annually ad valorem taxes on all taxable property in the City sufficient to pay the principal of and

interest on the bonds of this issue subject to applicable constitutional, statutory and charter tax rate limitations.

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

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

[MANDATORY REDEMPTION]

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

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

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

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent upon presentation of the bond called in part for redemption shall register, authenticate and deliver to the registered owner of record a new bond of the same maturity and in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given by the Transfer Agent to each registered owner of bonds or portions thereof to be redeemed by mailing such notice not less than thirty (30) days prior to the date fixed for redemption to the registered owner at the address of the registered owner as shown on the registration books of the City. Bonds shall be called for redemption in multiples of \$5,000, and bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bonds by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that, upon surrender of the bond to be redeemed, a new

bond or bonds in the same aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof with the same interest rate and maturity. No further interest on bonds or portions of bonds called for redemption shall accrue after the date fixed for redemption, whether the bonds have been presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bonds or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the bondholder requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required to issue, register the transfer of, or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

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

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

IN WITNESS WHEREOF, the City, by its Council, has caused this bond to be signed in the name of the City by [the facsimile signatures of] its Mayor and Clerk, and a facsimile of its corporate seal to be [manually impressed/printed] hereon, all as of the Date of Original Issue.

CITY OF MARSHALL
County of Calhoun, State of Michigan

By: _____
Mayor

(Seal)

Countersigned:

By: _____
City Clerk

[STANDARD FORMS OF TRANSFER AGENT'S
CERTIFICATE OF AUTHENTICATION AND ASSIGNMENT
TO BE INSERTED IN BOND]

4. Debt Retirement Fund. Upon sale of the Bonds, the Treasurer of the City is directed to open a separate depository or trust account with a bank or trust company to be designated as the 2016 GENERAL OBLIGATION LIMITED TAX AND REFUNDING BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"). The Debt Retirement Fund may be pooled or combined with other debt retirement funds for issues of bonds of like character as provided by Act 34 or other state law. An amount sufficient to assure timely payment of the principal of and interest on the Bonds shall be transferred each year into the Debt Retirement Fund from funds legally available therefor, including the revenues received by the City from the operations of the City's Electric Utility System for payment of the Bonds, and the general fund of the City. In addition, a portion of the proceeds of sale of the Bonds may be deposited in the Debt Retirement Fund as provided in Section 7 below. The moneys deposited in the fund shall be used solely for the purpose of paying the principal of and interest on the Bonds and, as may be necessary, to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") for the Bonds.

In the event a deposit of trust is made of cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest of the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Improvement Fund. Upon sale of the Bonds, the City Treasurer is authorized and directed to create a fund designated as the 2016 GENERAL OBLIGATION LIMITED TAX BONDS IMPROVEMENT FUND (the "Improvement Fund") for the deposit of the portion of the proceeds of sale of the Bonds to be used to construct a new electric distribution substation in the I-94/Brewer St. area, together with any appurtenances and attachments thereto and any related easement or site acquisition or site improvements (the "Electric Distribution Substation Project". Except for investment pending disbursement and as hereinafter provided, the moneys in the Improvement Fund shall be used solely and only to pay costs of the Electric Distribution Substation Project as such costs become due and payable, the costs of the issuance of the Bonds, and, as may be necessary, to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code. Any balance remaining in the Improvement Fund after completion of the Electric Distribution Substation Project may be used (a) for any other projects of the City if bond counsel advises the City that such use is permitted by state law and will not cause the interest on the Bonds to be included in gross income for federal income tax purposes within the meaning of the Internal Revenue Code, or (b) shall be paid into the Debt Retirement Fund and used to pay principal of or interest on the Bonds.

6. Escrow Fund. The Authorized Officer shall designate a bank or trust company to serve as escrow trustee (the "Escrow Trustee"). In order to secure payment of

the Prior Bonds being refunded, the City will enter into an Escrow Agreement (the “Escrow Agreement”) with the Escrow Trustee which shall provide for the creation of a fund designated as the 2016 REFUNDING BONDS ESCROW FUND (the “Escrow Fund”). The Escrow Agreement shall irrevocably direct the Escrow Trustee to hold the Escrow Fund in trust for the payment of the principal of and interest on the Prior Bonds being refunded, and to take all necessary steps to call for redemption any Prior Bonds specified by the City upon sale of the Bonds, including publication and mailing of redemption notices, on any date specified by the City on which the Prior Bonds may be called for redemption. The Authorized Officer is authorized to execute and deliver the Escrow Agreement and to purchase, or cause to be purchased, escrow securities, including United States Treasury Obligations – State and Local Government Series (SLGS), in an amount sufficient to fund the Escrow Fund.

The Authorized Officer is hereby authorized to transfer monies from the debt retirement funds for the Prior Bonds to the Escrow Fund to be invested as provided in the Escrow Agreement and to be used to pay principal of and interest on the Prior Bonds being refunded. The amount to be transferred under this section shall be an amount which will enable the interest on the Bonds and the Prior Bonds to be, or continue to be, excluded from gross income for federal income tax purposes as determined by bond counsel.

7. Deposit of Bond Proceeds. Upon receipt of the proceeds of sale of the Bonds, the accrued interest and premium, if any, shall be deposited in the Debt Retirement Fund and used to pay interest on the Bonds on the first interest payment date, provided, however, that at the discretion of the Authorized Officer, all or a portion of any premium received upon delivery of the Bonds may be deposited in the Escrow Fund or the Improvement Fund.

There next shall be deposited from Bond proceeds to the Escrow Fund monies which may be invested as described in the Escrow Agreement and which shall be used by the Escrow Trustee solely to pay the principal of and interest on the Prior Bonds being refunded. The City shall deposit to the Escrow Fund from bond proceeds and other monies available to the City an amount which, together with the investment proceeds to be received thereon, will be sufficient, without reinvestment, to pay the principal of and interest on the Prior Bonds being refunded as they become due pursuant to maturity or the call for redemption.

There next shall be deposited from Bond proceeds to the Improvement Fund the amount borrowed to pay costs of the Electric Distribution Substation Project.

At the option of the Authorized Officer, the City shall deposit Bond proceeds in an amount sufficient to pay all or a portion of the costs of the issuance of the Bonds to a fund established for that purpose in the Escrow Agreement.

8. Tax Covenant. The City shall not invest, reinvest or accumulate any moneys deemed to be proceeds of the Bonds or the Prior Bonds pursuant to the Internal Revenue Code in such a manner as to cause the Bonds or the Prior 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 exclusion of interest on the Bonds and the Prior 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 on the date of delivery of the Bonds.

9. Bank Qualification. 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.

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

11. Appointment of Managing Underwriter. Upon the recommendation of the Municipal Advisor, the City Council hereby determines to sell the Bonds at a negotiated sale instead of a competitive sale for the reason that a negotiated sale will permit the City to enter the market on short notice at a point in time which appears to be most advantageous, and thereby possibly obtain a lower rate of interest on the Bonds and the most favorable price for purchase of securities to be escrowed for payment of the Prior Bonds to be refunded.

Robert W. Baird & Co., Incorporated is hereby named as managing underwriter for the Bonds. The City reserves the right to name additional co-managers and/or to develop a selling group. The Authorized Officer is authorized to negotiate a Bond Purchase Agreement with the Underwriter in consultation with the Municipal Advisor. By adoption of this resolution the City assumes no obligations or liability to the Underwriter for any loss or damage that may result to the Underwriter from the adoption of this resolution, and all costs and expenses incurred by the Underwriter in preparing for sale of the Bonds shall be paid from the proceeds of the Bonds, if the Bonds are issued, except as may be otherwise provided in the Bond Purchase Agreement to be signed by the City at the time of sale of the Bonds.

12. Bond Counsel. The City hereby requests Miller, Canfield, Paddock and Stone, P.L.C. to continue as bond counsel to the City for the Bonds. The City Council acknowledges that Miller, Canfield, Paddock and Stone, P.L.C. occasionally represents Robert W. Baird & Co., Incorporated and other municipal bond underwriters, banks, and financial institutions in connection with matters unrelated to issuance of the Bonds by the City.

13. Verification Agent. The Authorized Officer is hereby directed to select an independent certified public accountant to serve as verification agent to verify that the securities and cash to be deposited to the Escrow Fund will be sufficient to provide, at the

times and in the amounts required, sufficient moneys to pay the principal of and interest on the Prior Bonds being refunded as they become due

14. Municipal Bond Ratings or Insurance. The Authorized Officer is hereby authorized to apply for bond ratings from such municipal bond rating agencies as deemed appropriate, in consultation with the Municipal Advisor. If the Municipal Advisor recommends that the City consider purchase of municipal bond insurance, then the Authorized Officer is hereby authorized and directed to negotiate with insurers regarding acquisition of municipal bond insurance, and, in consultation with the Municipal Advisor, to select an insurer and determine which Bonds, if any, shall be insured.

15. Preliminary Official Statement. The Authorized Officer is authorized to approve circulation of a Preliminary Official Statement describing the Bonds and to deem such Preliminary Official Statement “final” for purposes of compliance with Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”).

16. Sale of Bonds. The Authorized Officer is hereby authorized, on behalf of the City, subject to the provisions and limitations of this resolution, and in consultation with the Municipal Advisor, to negotiate sale of the Bonds to the Underwriter, and to accept an offer by the Underwriter to purchase the Bonds without further resolution of this City Council. This authorization includes, but is not limited to, determination of original principal amount of the Bonds; the prices at which the Bonds are sold; underwriter’s discount for the Bonds, 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; the interest rates and payment dates of the Bonds, application of the proceeds of the Bonds; selection of the maturities of the Prior Bonds to be refunded, the transfer of balances, if any, from the debt retirement fund for the Prior Bonds to the Escrow Fund; and purchase of securities for the Escrow Fund.

The maximum interest rate on the Bonds shall not exceed 6.00% per annum. The underwriter’s discount for the Bonds shall not exceed 0.70% of the total par amount of the Bonds. Bonds shall not be sold to refund the Prior Bonds unless the net present value of the principal and interest to be paid on the refunding portion of the Bonds, including the related cost of issuance, is less than the net present value of the principal and interest to be paid on the Prior Bonds being refunded.

In making such determinations the Authorized Officer is authorized to rely upon data and computer runs provided by the Municipal Advisor or the Underwriter. Approval of the matters delegated to the Authorized Officer under this resolution may be evidenced by execution of the Bond Purchase Agreement or the Official Statement by the Authorized Officer. The Authorized Officer is authorized to sign the Bond Purchase Agreement on behalf of the City.

17. Final Official Statement. After sale of the Bonds, the Authorized Officer is authorized to prepare, execute and deliver a final Official Statement describing the Bonds.

18. Continuing Disclosure Undertaking. In order to enable the Underwriter to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City hereby agrees to undertake Continuing Disclosure as issuer of the Bonds. The Authorized Officer of the City is authorized to execute such Continuing Disclosure Undertaking on behalf of the City in such form as he shall, in consultation with bond counsel, determine appropriate.

19. Other Actions. In the event that neither of the Authorized Officers is available to undertake responsibilities delegated to them under this resolution, then a person designated by one of the Authorized Officers is authorized to take such actions. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate issuance and sale of the Bonds, 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 in accordance with this resolution, and to pay costs of issuance including but not limited to rating agency fees, costs of printing the Bonds and the preliminary and final official statements, publication of notices, municipal advisor fees, transfer agent fees, escrow trustee fees, verification agent fees, bond counsel fees, and any other costs necessary to accomplish sale and delivery of the Bonds.

20. Conflicting Resolutions. The authorization to issue and sell bonds to finance the Capital Improvements and to refund the 1999 Bonds adopted by the City Council on May 2, 2016 is superseded by this resolution, since such authorization is included in this resolution. 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 May 16, 2016 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: McNeil, Metzger, Miller, Mayor Reed, Schurig and that the following Members were absent: Gerten and Williams.

I further certify that Member Miller moved for adoption of said resolution and that Member Metzger supported said motion.

I further certify that the following Members voted for adoption of said resolution: Metzger, Miller, Mayor Reed, Schurig and that the following Members voted against

adoption of said resolution: None. And the following Members were recused from voting on said resolution: Member McNeil.

City Clerk

B. Special Land Use Permit for 224 S. Jefferson:

Moved Miller, supported Metzger, to approve the special land use application #SLU16.02 for 224 S. Jefferson for home occupation, submitted by Penny Reynolds, with the following conditions:

- Home occupation services limited to massage therapy and wellness.
- Serving no more than one client at any given time.
- Limited to operation by Penny Reynolds, a licensed massage therapist (State of Michigan License Number: L573140), or a business or organization owned by her.

On a voice vote – **MOTION CARRIED.**

C. Special Land Use Permit for 726 Old US 27 N:

Moved McNeil, supported Schurig, to accept the Joint Planning Commission's recommendation to approve Special Land Use #JPCSLU16.01 for 726 Old US 27 N for the use of construction of a substation. On a voice vote: **MOTION CARRIED.**

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

Moved Metzger, supported McNeil, to approve the Contract with Teamsters Local 214, Department of Public Works. On a roll call vote – ayes: Miller, Mayor Reed, Schurig, McNeil, and Metzger; nays: none. **MOTION CARRIED.**

E. General City Employees Contract, Teamsters Local 214:

Moved Metzger, supported Schurig, to approve the contract with Teamsters Local 214, General City Employees. On a roll call vote – ayes: McNeil, Metzger, Miller, Mayor Reed, and Schurig; nays: none. **MOTION CARRIED.**

F. 3rd Quarter Investment Portfolio Report:

Moved Schurig, supported Metzger, to receive and place on file the 3rd Quarter Investment Portfolio Report for the City of Marshall. On a voice vote – **MOTION CARRIED.**

G. 3rd Quarter Financial Report:

Moved Miller, supported Schurig, to receive and place on file the 3rd Quarter Financial Report for the City of Marshall. On a voice vote – **MOTION CARRIED.**

H. 3rd Quarter Cash & Investment Position Report:

Moved McNeil, supported Metzger, to receive and place on file the 3rd Quarter Cash & Investment Position Report for the City of Marshall. On a voice vote – **MOTION CARRIED.**

APPOINTMENTS/ELECTIONS

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

COUNCIL AND MANAGER COMMUNICATIONS

ADJOURNMENT

The meeting was adjourned at 7:47 p.m.

Jack Reed, Mayor

Trisha Nelson, City Clerk

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
16576	A-1 AUTO GLASS	NEW SEAT FOR TRUCK #116		327.00
9935706879	AIRGAS USA LLC	CYLINDER RENTAL		101.65
SLS 10046069	ALEXANDER CHEMICAL CO	CHLORINE AND SULFUR DIOXIDE	2016.004	1,057.00
1310	ALL RELIABLE SERVICES	2016 LINE CLEARANCE- TREE TRIMMING CONT	2016.226	3,999.00
1294	ALL RELIABLE SERVICES	2016 LINE CLEARANCE- TREE TRIMMING CONT	2016.226	4,092.10
1303	ALL RELIABLE SERVICES	2016 LINE CLEARANCE- TREE TRIMMING CONT	2016.226	3,812.80
86453	ALL-TRONICS INC	SET UP EXTENSION 4386 AT MRLEC		75.00
46933	AMERICAN VIDEO TRANSF	SERVICE CONTRACT FOR INTERVIEW RECORDIN		1,188.00
46934	AMERICAN VIDEO TRANSF	ADDITIONAL LABOR FOR CASECRACKER SYSTEM		187.49
14-660499	ARROW UNIFORM	CUST #010198-01		27.47
14-652955	ARROW UNIFORM	CUST #010198-02		54.25
14-652957	ARROW UNIFORM	CUST #010198-03		153.28
14-660505	ARROW UNIFORM	CUST #010198-03		153.28
14-660503	ARROW UNIFORM	CUST #010198-02		54.25
14-660504	ARROW UNIFORM	CUST #010198-04		51.42
14-660507	ARROW UNIFORM	CUST #010198-06		31.23
14-660508	ARROW UNIFORM	CUST #010198-05		25.29
14-652956	ARROW UNIFORM	CUST #010198-04		51.42
14-652951	ARROW UNIFORM	CUST #010198-01		27.47
14-652959	ARROW UNIFORM	CUST #010198-06		31.23
14-652960	ARROW UNIFORM	CUST #010198-05		25.29
14-645467	ARROW UNIFORM	CUST #010198-04		84.42
14-645472	ARROW UNIFORM	CUST #010198-05		25.29
14-645461	ARROW UNIFORM	CUST #010198-01		27.47
14-645471	ARROW UNIFORM	CUST #010198-06		31.23
14-645466	ARROW UNIFORM	CUST #010198-02		54.25
14-645469	ARROW UNIFORM	CUST #010198-03		153.28
388-195203	AUSTIN-BATTERIES PLUS	6V LEAD		51.80
225-393174	AUTO VALUE MARSHALL	ABRASIVE CUT-OFF		7.16
225-392852	AUTO VALUE MARSHALL	ROLOC DISC, HEX SET, ABRASIVE CUT-OFF		22.20
225-392855	AUTO VALUE MARSHALL	5/16 A.B. TUBING		67.00
225-393131	AUTO VALUE MARSHALL	OIL FILTER, ROLOC DISC, 5W30, COARSE RO		69.98
225-393517	AUTO VALUE MARSHALL	RUB HOSE, MILTON GAGE		37.68
225-393224	AUTO VALUE MARSHALL	HOPPY ADAPTER		35.69
225-393236	AUTO VALUE MARSHALL	BELTS, ALTERNATOR, BELT TENSIONER		447.46
225-393836	AUTO VALUE MARSHALL	PRIMARY WIRE		11.98
225-393647	AUTO VALUE MARSHALL	LED WORK LAMP		112.54
225-393345	AUTO VALUE MARSHALL	PIGTAIL, YELL LED STROBE, RUBBER GROMME		92.30
225-393411	AUTO VALUE MARSHALL	HEX HEAD PLUG, COUPLING		1.27
225-393237	AUTO VALUE MARSHALL	CREDIT - ALTERNATOR, BELTS, TENSIONER		(316.17)
225-393548	AUTO VALUE MARSHALL	POLY ARM		6.86
225-393489	AUTO VALUE MARSHALL	TUBE		32.38
225-393506	AUTO VALUE MARSHALL	DSL EXH FL		27.64
225-393468	AUTO VALUE MARSHALL	OIL FILTER		6.12
225-393723	AUTO VALUE MARSHALL	TRAILER WIRE, END KIT, BUTT CONNECTORS		31.68
225-394078	AUTO VALUE MARSHALL	PIGTAIL, SWITCH		74.77
225-394006	AUTO VALUE MARSHALL	BLADERUNNER BELT		65.98
225-393712	AUTO VALUE MARSHALL	PREMIUM ROTOR, PQ SEMI MET PADS		290.97
225-393263	AUTO VALUE MARSHALL	OIL FILTER		5.76
1662	BACK ALLEY CYCLE SHOP	BLACK BIKE REPAIR		858.91
1663	BACK ALLEY CYCLE SHOP	WHITE BIKE REPAIR		267.54
042616A	BAKER TOOL RENTAL & S	PADS		30.00
244567-IN	BEAVER RESEARCH CO	KLEEN & GLOW, FOAMING DEGREASER		159.50
119216	BELL EQUIPMENT COMPAN	BROOMS		559.00
I-16-0412	BIOCLEAN TEAM INC	HAZARDOUS MATERIAL DISPOSAL		1,288.00
82954	BOSHEARS FORD SALES I	2011 FORD E-350		32.68
82955	BOSHEARS FORD SALES I	2009 FORD BUS		798.02
82978	BOSHEARS FORD SALES I	2010 CHEVY G4500		32.68
83554	BOSHEARS FORD SALES I	2015 FORD E-450		32.68
82127899	BOUND TREE MEDICAL LL	SUPPLIES		137.84
97921301	BSN SPORTS	RUBBER PITCHER'S PLATE		97.89
051316	BURGHDORF CONTRACTING	WOOD SHELVING, FASTENERS, ETC FOR FARME		305.00
5007-000014593	C & C LANDFILL	MSW		64.37
911-GOVAGNCY2015-1	CALHOUN COUNTY CONS D	2016 1ST QTR SERVICE		82,019.53
16-256	CALHOUN COUNTY TREASU	P/N 15-000-549-00 2014 CHARGEBACK FOR D		146.69
63393	CARON CHEVROLET	RPR 2008 CHEVY SILVERADO		652.12
96292	CARR BROTHERS & SONS	SCREENED TOPSOIL		344.52
96366	CARR BROTHERS & SONS	SCREENED TOPSOIL, CLASS II SAND SCREENI		508.44
3227	CB HALL ELECTRIC COMP	GFCI RECS AT STUART LANDING BAND SHELL		107.00
83969	CHAPMAN'S NURSERY & L	CHANTICLEER PEAR, PLANTING		325.00
16-0173206	CITY OF ALBION	INTERNET		127.49
151102-4	CIVIL ENGINEERS INC	ADDITIONAL ENGINEERING SERVICES - NORTH	2016.299	4,197.00
56917	COGITATE INC	MMS STATE TRUNKLINE SUPPORT		155.00
4592	CONSTANTINE TURF FARM	TURF		300.00
90965	CRT, INC	UPS BACKUPS, CABLE CAT5		128.00
869181	CRYSTAL FLASH	PROPANE CYLINDERS		16.13
134834	D & D MAINTENANCE SUP	JANITORIAL SERVICE - PARKS - APRIL 2016		355.00
134841	D & D MAINTENANCE SUP	DEEP CLEAN AT PUB33C SERVICES BUILDING	2016.296	1,584.77
135127	D & D MAINTENANCE SUP	JANITORIAL SUPPLIES		461.64

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
85842	DADOW POWER EQUIPMENT	IDLERS		68.89
85251	DADOW POWER EQUIPMENT	SHIELD		13.96
485026	DARLING ACE HARDWARE	NUTS, BOLTS, FASTENERS		19.16
485630	DARLING ACE HARDWARE	SHOP VAC SUPPLIES		22.97
485369	DARLING ACE HARDWARE	TROWELS		7.47
484667	DARLING ACE HARDWARE	KNIFE BLADES		11.99
485152	DARLING ACE HARDWARE	POWER CORD		7.99
485893	DARLING ACE HARDWARE	20" CHAIN, W20" BAR,		1,244.70
485678	DARLING ACE HARDWARE	KEY, NUTS & BOLTS		7.97
485701	DARLING ACE HARDWARE	CONTRACTOR HOSE, SUPPLIES		74.94
484337	DARLING ACE HARDWARE	ELBOW 90 STR PVC3		1.29
485058	DARLING ACE HARDWARE	STAPLES, MARKING PAINT		14.47
485937	DARLING ACE HARDWARE	KEY, KEYRING		3.68
485746	DARLING ACE HARDWARE	DOUBLE CUT KEY, KEYRING		8.97
485025	DARLING ACE HARDWARE	NUTS, BOLTS, FASTENERS		3.44
484350	DARLING ACE HARDWARE	CHOPSAW WHL		13.98
485556	DARLING ACE HARDWARE	HOSE & NOZZLE		19.78
485512	DARLING ACE HARDWARE	2016 CEMETERY FLOWERS AS QUOTED. MUST	2016.231	1,451.80
485696	DARLING ACE HARDWARE	POOL CHLOR, REPEL DEEPWOODS		116.97
485471	DARLING ACE HARDWARE	KEY		1.99
485526	DARLING ACE HARDWARE	PAINT, SCREEN		41.69
485898	DARLING ACE HARDWARE	PAINT		14.99
484323	DARLING ACE HARDWARE	METAL WHEEL		15.99
485511	DARLING ACE HARDWARE	SOCKET ADAPTER		4.49
051316	DEFOREST BROTHERS CON	CONCRETE REPLACEMENT	2016.286	1,050.00
050616	DEFOREST BROTHERS CON	HIGH SCHOOL SIDEWALK	2016.286	900.00
INV26424	DORNBOS SIGN INC	STREET SIGNS - E PROSPECT, W PROSPECT,		333.50
052316	ED'S DECORATING	PAINTED APTS #408 & #313		625.00
MIMA165974	FASTENAL COMPANY	EAR PLUGS		35.10
215691	FIRE EXTINGUISHER SER	EXTINGUISHER INSPECTION		39.00
985261	FIRST ADVANTAGE	HOFFMAN, BURGESS, TORREY		41.25
7831	FUG	TOKENS FOR FARMERS MARKET		323.75
11-27210	GARAGE DOORS UNLIMITE	SERVICE CALL - EAST DOOR		311.20
11-27242	GARAGE DOORS UNLIMITE	ATHLETIC DEPT SERVICE CALL		131.00
1043	GRAHAM OUTDOOR SERVIC	2016 LAWN MOWING CONTRACT	2016.262	1,020.00
1044	GRAHAM OUTDOOR SERVIC	2016 LAWN MOWING CONTRACT	2016.262	695.00
9100277863	GRAINGER	WIRE MEASURING GAUGE		211.20
5	GREEN, JENNIFER	CLEAN APTS #114, #313, #408		300.00
20160254	GRP ENGINEERING INC	ENGINEERING SERVICES FOR BREWER STREET	2016.161	30,000.00
1680	GUTTERS R US LLC	REPAIRS TO STUART'S LANDING BATHHOUSE		595.00
9916660	HACH COMPANY	DR3900 ANNUAL SERVICE AGREEMENT	2016.293	678.00
9923039	HACH COMPANY	AMMONIA		450.49
051316	HACKWORTH, MICHAEL	MEETING REFRESHMENTS		28.80
4435-493389	HARMON GLASS DOCTOR	CLEAR INSULATED THERMOPANES		1,128.00
100243-0516	HERITAGE CLEANERS	APRIL SERVICES		594.75
33208	HERITAGE CLEANERS	SEAN BROWN - COAT & PANTS		10.10
25603	HERITAGE CLEANERS	DRYCLEANING		40.00
76220	HERMANS MARSHALL HARD	LOCTITE		7.49
76230	HERMANS MARSHALL HARD	DOOR BUMPERS & DOOR STOP		22.07
76229	HERMANS MARSHALL HARD	PADLOCKS & KEYS		21.47
76205	HERMANS MARSHALL HARD	FILTERS		37.74
76204	HERMANS MARSHALL HARD	SIMPLE GREEN		51.96
76412	HERMANS MARSHALL HARD	DRIVER BIT		6.49
76175	HERMANS MARSHALL HARD	GAS CANS, TARP STRAPS		73.53
76404	HERMANS MARSHALL HARD	LEAF BAGS		15.96
76202	HERMANS MARSHALL HARD	BROOM, DUST PAN, BAGS, SHOVELS, RAKE, P		140.02
76209	HERMANS MARSHALL HARD	TRIMMER LINE, DUNAZONE (SP)?		34.48
76212	HERMANS MARSHALL HARD	SCREWDRIVERS, TORX BIT SET, PEG HOOK SE		42.96
76218	HERMANS MARSHALL HARD	OIL		12.87
76172	HERMANS MARSHALL HARD	PAINT & SUPPLIES		85.14
76213	HERMANS MARSHALL HARD	KEY		2.64
76188	HERMANS MARSHALL HARD	ASPHALT PATCH		25.98
76245	HERMANS MARSHALL HARD	AERATORS		15.16
76216	HERMANS MARSHALL HARD	DRAIN CLEANER		10.58
75751	HERMANS MARSHALL HARD	SHOPVAC FILTER		14.99
76248	HERMANS MARSHALL HARD	CAULK, MOUSE TRAPS		12.57
76241	HERMANS MARSHALL HARD	PIN, DURA ZONE		28.78
76243	HERMANS MARSHALL HARD	ROUND UP		99.98
75759	HERMANS MARSHALL HARD	GLUE STICK, LADDER		120.88
14057	HUNTER PRELL COMPANY	REPAIR SINK, URINAL AND TOILET		860.83
14119	HUNTER PRELL COMPANY	CITY HALL SERVICE CALL		730.23
MN000005466	INTERACT PUBLIC SAFET	MONTHLY MAINTENANCE		1,200.00
1901802011643	INTERSTATE ALL BATTER	AUTOMOTIVE BATTERY		891.80
102047	J & K PLUMBING SUPPLY	SUPPLIES		9.43
101941	J & K PLUMBING SUPPLY	HOSE ADAPT SWIV		7.16
102250	J & K PLUMBING SUPPLY	SUPPLIES		11.36
102185	J & K PLUMBING SUPPLY	DELTA BRASS STEM		28.36
102356	J & K PLUMBING SUPPLY	BALL VALVE		9.42
102313	J & K PLUMBING SUPPLY	SUPPLIES		4.08

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
102326	J & K PLUMBING SUPPLY	SUPPLIES		2.77
4242016	JODI HOLBROOK PHOTOGR	PHOTOGRAPHY SERVICES		723.00
6329	JS BUXTON	BULK LIME	2016.005	1,161.85
305549	JUSTICE FENCE	REPAIR ELECTRONIC GATES AT MRLEC		7,300.00
174595	K & H CONCRETE CUTTIN	ASPHALT SLAB SAWING		175.00
29023	KAL KLEEN INC	STRUCTURE MITIGATION/CLEANING EQUIPMENT		562.50
605347	KAR LABORATORIES INC	CYANIDE ANALYSIS		100.00
8050	KELLOGG'S REPAIR	BLADES		79.50
8026	KELLOGG'S REPAIR	HUSQVARNA-S		299.00
394262	KITCH, DRUTCHAS, WAGN	REGULATORY ISSUES		90.00
200026.20-2160404	LAWSON-FISHER ASSOCIA	2015 NUISANCE PLANT MONITORING AND REPO	2016.043	298.84
1039290	LEGG LUMBER	GRAVEL MIX		67.35
1039060	LEGG LUMBER	2 X 4 X 8 PREMIUM		10.76
1038977	LEGG LUMBER	POST HOLE FOOTING, 6X6-10 TREATED, ANGL		112.07
1038984	LEGG LUMBER	HEAVY ANGLE RETURNED, GRAVEL MIX		(2.02)
327388	MARSHALL FEED & GRAIN	TORDON RTU		213.00
19253	MARSHALL TIRE CITY	NEW TIRES		915.92
19248	MARSHALL TIRE CITY	SERVICE CALL		113.14
7485	MARSHALL WELDING & FA	BROOKS NATURE AREA SIGN		30.00
7422	MARSHALL WELDING & FA	RPLC BROKEN BRACES FOR BELLY BLADE		207.84
97410	MICHIGAN METER TECHNO	TEST METERS, SUPPLIES		1,377.53
1318709	MILLER CANFIELD PADDO	GENERAL EMPLOYMENT MATTERS		345.86
68934376	MSC INDUSTRIAL SUPPLY	SAFETY VESTS & GLOVES		455.10
76409256	MSC INDUSTRIAL SUPPLY	SAFETY GLASSES		89.04
491	MUNFAKH & ASSOCIATES,	MEETING WITH MDEQ, REVIEW DAM INFO, MTG		875.00
55168	NATIONAL ASSOC OF SCH	MATT POTTER RENEWAL		40.00
372564	NORTH CENTRAL LABORAT	LABORATORY SUPPLIES	2016.006	1,173.86
555934	NYE UNIFORM COMPANY	DEPUTY S/S SHIRTS		141.68
552589	NYE UNIFORM COMPANY	RAINCOAT		109.63
73340	O'LEARY WATER CONDITI	WATER DELIVERED		76.50
559730	O'LEARY WATER CONDITI	SOLAR SALT		126.00
649953	OFFICE 360	FOLDERS		5.99
648733	OFFICE 360	PAPER, PENCIL SHARPENER, LABELS		50.68
647578	OFFICE 360	TONER		359.97
655936	OFFICE 360	PAPER		59.60
656422	OFFICE 360	FILE STORAGE BOXES		84.99
653029	OFFICE 360	TONER, STAPLES, MARKERS, TAPE, PAPER		377.96
605167	OFFICE 360	INKCARTS		119.96
56032614	POWER LINE SUPPLY	WASHERS		132.25
56032613	POWER LINE SUPPLY	PIPE EXTENSION		314.91
56030739	POWER LINE SUPPLY	#2 ALUMINIUM TRIPLEX WIRE	2016.295	1,680.00
56030727	POWER LINE SUPPLY	2/0 ALUMINIUM TRIPLEX WIRE	2016.295	1,548.90
56030730	POWER LINE SUPPLY	AMERICAN ELECTRIC LIGHTING LED ROADWAY	2016.283	1,729.16
56030738	POWER LINE SUPPLY	LUBRICANT SPRAY		44.16
56030737	POWER LINE SUPPLY	BUTTON BLANKET		3.90
56030735	POWER LINE SUPPLY	METER SOCKET & CONNECTOR KIT		389.47
56030596	POWER LINE SUPPLY	CUTTER DIE		48.00
56030597	POWER LINE SUPPLY	LANYARD & HARNESS - K. KOYL		385.00
56023256	POWER LINE SUPPLY	RUBBER GOODS - K. KOYL		523.00
56030734	POWER LINE SUPPLY	WR289 CONNECTOR		63.25
56030731	POWER LINE SUPPLY	3/8 GUY GRIP		113.55
56030728	POWER LINE SUPPLY	GRAY SPOOL		119.78
56030729	POWER LINE SUPPLY	PIPE EXTENSION		104.97
56030732	POWER LINE SUPPLY	3/4 X 14 M BOLT		51.42
56030736	POWER LINE SUPPLY	SERVICE SPLICE		57.50
7113	QUALITY ENGRAVING SER	TREE TAGS FOR JOLINK & JENSEN		20.00
7121	QUALITY ENGRAVING SER	TREE TAG FOR OPAL BECK		10.00
67729	R.W. MERCER	SERVICE 100LL PUMP AT AIRPORT		108.50
10926	RADIO COMMUNICATIONS	UNIT M-3		95.85
050616	RAY, RALPH	REMOVAL OF SCRAP PICNIC TABLE		60.00
I1605075003	REALPAGE INC	ANNUAL FEES & EXPANDED SUPPORT 07/01/16		2,454.17
70596524	ROSE PEST SOLUTIONS	BEDBUGS - HEAT TREATMENT		1,200.00
70595452	ROSE PEST SOLUTIONS	BEDBUGS - HEAT TREATMENT		1,200.00
70595517	ROSE PEST SOLUTIONS	BEDBUGS - HEAT TREATMENT - APTS 408 & 4		1,400.00
70590800	ROSE PEST SOLUTIONS	PEST CONTROL		56.00
70595529	ROSE PEST SOLUTIONS	BEDBUGS TREATMENT - APT 404		299.00
70595528	ROSE PEST SOLUTIONS	BEDBUG TREATMENT - APT 402		299.00
19390	RS TECHNICAL SERVICE	FACTORY REPAIR FORCE FLOW SCALES		229.27
INV-000001920	SCHWEITZER ENGINEERIN	5-PORT ETHERNET SWITCH		1,496.00
75128	SHAFER BROS INC	PILE DIVIDER		55.00
107369	SHAFER REDI-MIX INC	LIMESTONE		458.30
107684	SHAFER REDI-MIX INC	3000 PSI		1,309.50
9410199102	SHRED-IT USA LLC	SHREDDING AT MRLEC		65.16
9410393277	SHRED-IT USA LLC	SERVICE AT MRLEC		65.16
5700002568	SIEMENS INDUSTRY, INC	15 KV BREAKERS FOR BREWER SUBSTATION- P	2016.204	68,346.00
051816	SIGNWORLD CONCEPTS	NOISE ABATEMENT SIGN		200.00
18799	STANDARD PRINTING & O	RECEIVED STAMP		83.50
18907	STANDARD PRINTING & O	LETTERHEAD 35		189.66
18974	STANDARD PRINTING & O	DRIVER PRE-TRIP INSPECTION FORMS		337.17

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
19052	STANDARD PRINTING & O	DELIVERY CHARGE		7.00
194789	STANLEY LAWN & GARDEN	.095 CROSS FIRE		65.98
194875	STANLEY LAWN & GARDEN	UNIVERSAL SPPED HEAD, .095 LINE		46.94
7274-2016	STATE OF MICHIGAN	2016 UNCLAIMED PROPERTY, FIN #38-600470		961.98
S009589004.002	STUART C IRBY CO	BOOT ALLOWANCES-MEYER, ZEBOLSKY, KOYL,		401.56
1052	SWIFT FUELS LLC	94 OCTANE FUEL FOR BROOKS AIRPORT	2016.300	10,194.24
97920	TRI AIR TESTING INC	AIR TEST & ANALYSIS		172.00
47306273	TRUGREEN	LAWN CARE AT 323 W MICHIGAN		155.00
5005218-01	UNDERGROUND PIPE & VA	HYD FLUSHER ELL		75.00
14226414-0416	WOW! BUSINESS	ACCT #014226414		84.93
				222,389.43



MICHIGAN SOUTH CENTRAL POWER AGENCY

720 HERRING ROAD • LITCHFIELD, MICHIGAN 49252
 PHONE (517) 542-2346 • FAX (517) 542-3049
 www.mscca.net

ORIGINAL INVOICE

MARSHALL CITY ELECTRIC DEPARTMENT
 323 WEST MICHIGAN AVENUE
 MARSHALL, MICHIGAN 49068
 Attn: Mr. Tom Tarkiewicz

Invoice Date: 17-May-16
 Due Date: 31-May-16
 Service From: 01-Apr-16
 To: 30-Apr-16

Peak Demand 16,062 kw

Total Energy Received 8,644,410 kWh
 Hydro Generation 113,382 kWh
 Net Billing kWh's 8,531,028 kWh

Debt Service
 Costs
 and Capacity
 Credits

Area	Entitlement %	Operating and Maintenance Costs	Debt Service Costs and Capacity Credits	Total
SUBSTATION LOAD COST		233,208.26		233,208.26
MARKET RESOURCE VALUE		(237,069.44)		(237,069.44)
PROJECT 1-ENDICOTT	24.0%	258,820.40	-	258,820.40
PROJECT IV	0.0%	-	-	-
PRAIRIE STATE	16.7%	34,673.00	33,789.89	68,462.89
MENOMINEE HYDRO	24.0%	32,929.92	-	32,929.92
OCONTO FALLS HYDRO	24.0%	22,765.85	-	22,765.85
AFEC	16.5%	97,180.55	(39,769.86)	57,410.69
AMP HYDRO 1	20.9%	15,057.63	83,812.00	98,869.63
AMP HYDRO 2 GREENUP	18.4%	6,376.69	(639.87)	5,736.83
AMP HYDRO 2 MELDAHL	18.4%	244.92	14,305.06	14,549.98
AMP CONTRACTS	0.0%	-	-	-
AMPGS	0.0%	-	-	-
TRANSMISSION	12.8%	3,672.18	-	3,672.18
MISO	9.0%	17,288.40	-	17,288.40
SUBSTATION	34.4%	-	-	-
ADMINISTRATION	16.9%	25,009.15	-	25,009.15
MEMBER	100.0%	5,250.20	-	5,250.20
MEMBER HYDRO	37.9%	-	-	-
CAPACITY		-	-	-
RATE STABILIZATION		-	-	-
TOTAL COST	\$	515,407.73	91,497.23	606,904.95
	\$/kWh	0.06042	0.01073	0.07114
CREDITS	\$	(5,250.20)	-	(5,250.20)
	\$/kWh	(0.00062)	0.00000	(0.00062)
NET COST	\$	510,157.53	91,497.23	601,654.75
	\$/kWh	0.05980	0.01073	0.07053

Pay this amount \$ 601,654.75

Any amounts due and not paid by the due date shall bear interest at the rate of 1% per month until paid.

APPROVAL LIST FOR CITY OF MARSHALL
 EXP CHECK RUN DATES 01/01/2015 - 05/13/2016
 UNJOURNALIZED OPEN
 BANK CODE: MAIN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
77464	AD-VISOR & CHRONICLE	APRIL ADS		1,384.86
05/12/2016	BALLINGER, ASHLEY	UB refund for account: 1802820005		17.58
2550787499-0516	CHEMICAL BANK SOUTH	HSA ACCT #2550787499 ZEBOLSKY, JOEL		1,170.00
62773546	CNA SURETY DIRECT BIL	ONE DAY LIQUOR LICENSE		50.00
601009306472	CONSUMERS ENERGY	1030 1852 0884		461.53
2512632	EASTERN AVIATION FUEL	AVGAS 100LL		20,507.15
050916	LAKE MICHIGAN MAILERS	POSTAGE - ACCT #M323		500.00
050616	LANE, CRYSTAL	TRAVEL EXPENSE REIMBURSEMENT		73.61
S3951756.001	MEDLER ELECTRIC COMPA	TAPE		461.39
M 04-16	MICHIGAN SOUTH CENTRA	NATURAL GAS PURCHASES		1,305.98
790004405582930705	NEOFUNDS BY NEOPOST	7900 0440 5582 9307		3,000.00
I1602069034	REALPAGE INC	ANNUAL FEE 04/01/16 TO 03/31/17		793.80
050616	SEARS, THERESA	TRAVEL EXPENSE REIMBURSEMENT		142.34
050716	SMITH, JOE	TRAVEL EXPENSE REIMBURSEMENT		1,557.16
603551782034889304	STAPLES CREDIT PLAN	ACCT #6035 5178 2034 8893		56.98
303069785	U.S. BANK EQUIPMENT F	COPIER CONTRACT		63.67
45144539	WEX BANK	ACCT #0470-00-462076-1		7,112.67
05/11/2016	WILLIAMS, RYAN WINCHE	UB refund for account: 3004520016		69.58
10058364-0416	WOW! BUSINESS	ACCT #010058364		32.97
10040764-0516	WOW! INTERNET-CABLE-P	ACCT #010040764		1,359.83
				40,121.10

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
269781444705-16	A T & T	269 781-4447 749 4		229.83
269781907005-16	A T & T	269 781-9070 573 1		69.45
269789901105-16	A T & T	269 789-9011 599 1		57.60
269781981505-16	A T & T	269 781-9815 267 0		3,151.39
Z1406436QE	AMERICAN MESSAGING	ACCT #Z1-406436		9.58
287238047810X05111	AT&T MOBILITY	ACCT #287238047810		38.77
437	CASAREZ, KATIE	REFUND FOR ADULT SOFTBALL		20.00
2551647171-0516	CHEMICAL BANK SOUTH	HSA ACCT #2551647171 KOYL, KEVIN		390.00
7018274-0516	EARTHLINK BUSINESS	ACCT #0000007018274		850.71
05/20/2016	FAIRCHILD, WILLIAM	UB refund for account: 400980007		126.79
051716	FISHER, CHARLIE	SCHOOL LUNCH		17.97
051716	FREDS, MATT	SCHOOL LUNCH		18.60
05/20/2016	FUNK, MILIE	UB refund for account: 2900100045		81.38
1351351	GRIFFIN PEST SOLUTION	323 W MICHIGAN AVE		33.00
05/20/2016	HINKLE, COURTNEY	UB refund for account: 2900520031		81.43
440	KEIPER, CORA	REFUND FOR MACKINAC TRIP		80.00
99007320387-0516	LOWE'S	9900 732038 7		294.70
7617-0516	MARSHALL COMMUNITY CU	7617 - RAMEY		1,442.53
9156-0516	MARSHALL COMMUNITY CU	9156 - MILLER		736.78
7681-0516	MARSHALL COMMUNITY CU	7681 - TARKIEWICZ		100.02
4868-0516	MARSHALL COMMUNITY CU	4868 - RICE		963.96
3431-0516	MARSHALL COMMUNITY CU	3431 - CITY OF MARSHALL		638.08
050516	MOORE, GARRETT	TRAVEL EXPENSE REIMBURSEMENT		36.15
05/20/2016	POCERNIK, MICHELLE	UB refund for account: 3004470039		44.51
042116	POTTER, MATTHEW	TRAVEL EXPENSE REIMBURSEMENT		15.12
05/20/2016	SLEIGHT, JOSEPH	UB refund for account: 2900280033		82.62
051816	SUNDBERG, KIP	SCHOOL LUNCH		17.48
438	TAYLOR, JEN	REFUND ADULT SOFTBALL		60.00
8948000000160508	TELNET WORLDWIDE	ACCT # CORP-008948		1,598.08
051716	VANDGRIFT, MARY LOU	MACKINAC ISLAND BUS TRIP REFUND		600.00
9764719266	VERIZON WIRELESS	ACCT #987146080-00001		757.68
05/16/2016	WASHINGTON, LIA	UB refund for account: 2900390019		81.39
13934621-0416	WOW! BUSINESS	ACCT #013934621		33.29
051716	ZEBOLSKY, JOEL	SCHOOL LUNCH		17.48
				12,776.37

User: ctanner
DB: Marshall

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
05/26/2016	BLM COMPANIES LLC	UB refund for account: 1401900005		26.52
601009356794	CONSUMERS ENERGY	1030 1852 0884		232.47
205008848567	CONSUMERS ENERGY	1000 0916 3203		30.73
205008848569	CONSUMERS ENERGY	1000 0916 3708		35.56
205008848570	CONSUMERS ENERGY	1000 0916 3971		355.86
205008848568	CONSUMERS ENERGY	1000 0916 3435		157.93
206610590741	CONSUMERS ENERGY	1030 1352 1119		15.11
203406983369	CONSUMERS ENERGY	1030 0915 7670		20.30
204296902326	CONSUMERS ENERGY	1000 6710 1772		26.41
205008848283	CONSUMERS ENERGY	1000 0759 4680		55.46
203851935761	CONSUMERS ENERGY	1000 7224 3312		94.25
202250058541	CONSUMERS ENERGY	1000 0033 5602		1,064.91
052316	GORDON, LYNN	ENERGY OPTIMIZATION - FURNACE & A/C		615.00
1351352	GRIFFIN PEST SOLUTION	900 S MARSHALL		46.00
05/26/2016	GWATHNEY, MEGAN	UB refund for account: 3101040028		38.59
05/26/2016	HANNAR, NICHOLAS	UB refund for account: 2900760043		89.11
70	MAGIC MAIDS	MAY CLEANING SERVICES		1,400.00
66	MAGIC MAIDS	CLEAN APTS #224 & #301		200.00
6996-0516	MARSHALL COMMUNITY CU	6996 - BAUER		1,245.55
1773-0516	MARSHALL COMMUNITY CU	1773 - MCCOMB		1,242.42
9421-0516	MARSHALL COMMUNITY CU	9421 - SEARS		664.30
3507-0516	MARSHALL COMMUNITY CU	3507 - MCDONALD		378.08
60522693	MCMASTER-CARR	INDOOR STEEL ENCLOSURE, PANEL		404.70
050416	POTTER, MATTHEW	TRAVEL EXPENSE REIMBURSEMENT		9.70
052316	RENIGER, MYRON	ENERGY OPTIMIZATION - 3 LED BULBS		15.00
643407-00	RESCO	138KV LINE MATERIAL FOR BREWER SUBSTATI	2016.313	1,502.55
6	REVITALIZE LLC	MEDC ADMINISTRATION FEES FOR RENOVATION	2016.138	6,460.00
				16,426.51



ADMINISTRATIVE REPORT
JUNE 6, 2016 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and Council Members

FROM: Ed Rice, Director of Electric Utilities
Tom Tarkiewicz, City Manager

SUBJECT: Joint Pole Use Agreement (JUA) with Consumers Energy Co. (CECo)

BACKGROUND: The City Council approved the expediting of design and construction of the new Brewer Street 138/12.47kv Substation Project at its regular meeting on August 17, 2015. The Project must be completed by October 1, 2016 to maintain the normal two 138kv transmission feeds into the city.

A part of the project is to construct a new city owned 138kv wood pole electric transmission line south along Old US 27 North from J-Drive North to connect the new Brewer Substation (located at the eastern end of the Oaklawn Hospital Family Medical Practice property) to the bulk electric grid (International Transmission Company). The new electric transmission line route is currently occupied by a CECo distribution line.

The City of Marshall and CECo each currently have several electric system contacts with the other's poles within their respective service areas even though there is not a formal JUA that legally permits each other to do so. A JUA provides economic benefit and reduced liability to each party along with reducing the number of poles within their respective service areas.

To remedy these two (2) situations, a JUA has been negotiated with CECo that addresses the existing and future pole contacts and permits Marshall to construct its new 138kv electric transmission line overlaying CECo's existing distribution line route along Old US 27 North. The city will be responsible to transfer CECo's existing facilities to the city's new 138kv poles but at the city's expense which has been estimated by CECo to be \$75,485. The JUA includes language suggested by a municipal attorney (expert in JUA contracts) that was contracted by the city. The JUA has been approved by CECo's legal department.

RECOMMENDATIONS:

- 1) It is recommended by city staff that the City Council approve the City entering into a Joint Pole Use Agreement (JUA) with Consumers Energy Co. for the benefit of both entities and authorize the City Clerk to sign the agreement.
- 2) It is also recommended by city staff that the City Council approve the upfront estimated payment of \$75,485 to Consumers Energy for the required work associated with the transferring of their distribution facilities to the new Marshall owned 138kv electric transmission line. The actual cost will be reconciled against the estimated prepayment at the completion of the project and a billing adjustment will be processed (either up or down).

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

FISCAL EFFECTS: The total estimated cost of the Brewer Street Substation Project is \$3,600,000. The \$75,485 payment to Consumers was included in the project cash flow document that was presented to Council on May 2, 2016.

Funding for the project will be from the sale of General Obligation Limited Tax Bonds which was approved by City Council on May 16, 2016. It is expected, at this time, 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: Suggestions by City Council

CITY GOAL CLASSIFICATION: GOAL AREA IV -- INFRASTRUCTURE

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

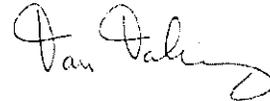
ECONOMIC DEVELOPMENT STRATEGIC PLAN: GOAL NO.1

Goal Statement: "The city has built and funded infrastructure to strategic, expanded locations". This project is identified in Performance Measure No. 2 of Goal No. 1.

Respectfully Submitted,



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



Tom Tarkiewicz
City Manager



JOINT USE AGREEMENT

THIS AGREEMENT, made this ___ day of ___, 2016, by and between the City of Marshall, a _____, located at _____, Michigan, hereinafter called the "City", and CONSUMERS ENERGY COMPANY, a Michigan Corporation, One Energy Plaza, Jackson, Michigan 49201, hereinafter called the "Company".

WHEREAS, the Company is conducting an electric utility business and the City owns an electric system for its own business use within the city limits and contiguous townships to the City of Marshall, Michigan, hereinafter called the Joint Use Area; and

WHEREAS, both the Company and the City desire to provide for the joint use of their respective poles, when and where such joint use will be of mutual advantage in meeting their requirements;

WHEREAS, the Company has an existing Low Voltage Distribution line running North from F Drive N along Old US 27 North to 17 1/2 Mile Rd. on a mixture of easement and road right of way and the City desires to construct a 138kV wood pole line connecting to the METC Verona-Foundry 138kV line; and

WHEREAS, the Company consents to allowing its facilities located in the Special Joint Use Area to be transferred from the Company's poles to the City's new structures at no cost to the Company;

NOW, THEREFORE, in consideration of their respective undertakings herein, the parties agree as follows:

ARTICLE I

Definitions

1. JOINT USE is the simultaneous use of a pole owned by either party hereto for the attachments of both parties.
2. ATTACHMENTS are any wires, cables, material or apparatus attached to a pole by either party.
3. OWNER is the party owning the pole.

4. LICENSEE is the party making or seeking to make attachments to a pole owned by the other party.
5. SPECIAL JOINT USE AREA is along Old US 27 from F Drive N north to the METC Verona-Marshall (aka Q-17 or 74B) 138kV line where the City will construct a new 138kV wood pole line as illustrated in Exhibit F.

ARTICLE II

Availability of Poles for a Licensee's Attachments

All of the Company's poles in the Joint Use Area shall be available to the City and all of the City's poles in either the Joint Use Area or the Special Joint Use Area shall be available to the Company for attachments in accordance with the terms of this Agreement. All attachments shall be governed by Exhibit A, Operations and Maintenance Procedures, which is attached hereto and made a part hereof.

It shall be the sole responsibility of the Licensee to determine if its making or maintaining of attachments at the specified location or locations will violate any law, rule, regulation, ordinance or order. No attachment shall be made or maintained at a location that violates any such law, rule, regulation, ordinance or order.

ARTICLE III

Approval Procedure

Whenever the Licensee desires to make an attachment to any pole or poles of the Owner, the Licensee shall make a written application in the form of Exhibit B to the Owner and pay an application fee of \$2.25 per pole (\$50.00 minimum) and a Pole Engineering Evaluation Fee of \$55.00 per pole. Such notification shall include any sketch or other information showing the locations of the poles and other relevant information as specified in accordance with the provisions of Exhibit A. Attachments shall not be made to the Owner's pole or poles by the Licensee without said notification to and approval by the Owner.

If any attachment affixed by the Licensee is found on a pole for which there has been no notice by the Licensee and approval of the Owner, the Owner may require the Licensee to remove such attachment immediately or the Owner may, after notice to the Licensee, remove said attachment without liability at the expense of the Licensee. In the latter event, the Licensee shall reimburse the Owner upon demand for the

cost to the Owner resulting from or on account of the Licensee's unauthorized attachment. Such costs shall include but are not limited to payment of the annual rental fee times the number of years of the unauthorized attachment. No act or failure to act by the Owner with regard to said unauthorized attachment shall be deemed as a ratification or the approval of the unauthorized attachment. Notwithstanding the foregoing, if such attachment was made prior to the date of this Agreement, the Licensee shall have three (3) days to apply for approval of the Owner, and any such application shall be treated the same as any other application for joint use of a pole.

ARTICLE IV

Rental Fees

In addition to any and all payments to be paid by each party under the provisions of this Agreement and Exhibit A, the Licensee agrees to pay the Owner, an annual rental for the use of each of the Owner's poles, any portion of which is occupied by, or reserved at the Licensee's request of the Attachments of the Licensee at any time during the rental year. Said Rental Fees shall be assessed in accordance with Exhibit D. All amounts not paid by the Licensee when due shall be subject to a late fee of two (2) percent per month of the amount of any such unpaid payment or the highest rate permitted by law, whichever is less.

There will be no rental fee assessed for the Company's use of poles in the Special Joint Use Area.

ARTICLE V

Bills and Payment for Work

All billing for work performed hereunder by either party, the expense of which is to be borne by the other party, shall be submitted within thirty (30) days after the date that such work is completed. All bills submitted in accordance with the above shall be paid within thirty (30) days of date of receipt of a proper bill or invoice. All amounts not paid by the Licensee when due shall be subject to a late fee of two (2) percent per month of the amount of any such unpaid payment or the highest rate permitted by law, whichever is less.

Since the Company's Low Voltage Distribution (LVD) facilities pre-existed the City's poles located in the Special Joint Use Area, the Company and the City agree that the City will pay for all costs associated with moving or rebuilding the Company facilities located along the route of the City's poles in the Special Joint Use

Area. The Company will work with the City's engineer on the design and provide an estimate for the cost to relocate the Company's facilities to accommodate the poles in the Special Joint Use Area. The City will pay the estimate prior to the start of construction. At the end of construction, the Company will reconcile the accounts opened for the project, and within six months of the end of construction, the Company will refund or bill the City for the difference between the amount paid based upon the estimate and the final trued up costs.

ARTICLE VI
Periodical Review

The parties hereto shall conduct periodic joint surveys to verify the number of joint use poles owned by each party. Such surveys shall be made at five (5) year intervals unless more frequent surveys are mutually agreed upon. The date of the first joint survey shall be agreed upon by the parties hereto but shall occur not later than December 31, 2017. Each party shall bear the expense of its own participation in the survey. The results of each periodic joint survey will be placed as Exhibit E to this agreement.

ARTICLE VII
Defaults

If either party defaults in any of its obligations under this Agreement and such default continues for a period of thirty (30) days after notice specifying the nature of the claimed default is given in writing to the defaulting party, the nondefaulting party may suspend the rights of such defaulting party concerning any further grant of joint use. If such default continues for a period of sixty (60) days after such suspension, the nondefaulting party may terminate this Agreement in regard to any further grant of joint use, by giving the other party notice of termination.

If either party defaults in the performance of any work for which it is obligated at its sole expense under this Agreement and such default continues for thirty (30) days after notice is given in writing to the defaulting party, the nondefaulting party may elect to do such work and the defaulting party shall reimburse the nondefaulting party for any costs incurred therefrom. Failure on the part of the defaulting party to make such payment within thirty (30) days after presentation of a bill shall, at the election of the nondefaulting party, constitute a default under the first paragraph of this Article.

ARTICLE VIII

Maintenance of Attachments

The parties shall each make and maintain their attachments in safe condition and in thorough repair, at their own expense. Upon notice, the Licensee, at its expense, shall relocate, replace or renew its attachments or transfer its attachments to replacement poles, or perform any other work in connection with said attachments that may be required by the Owner as provided in Exhibit A, Operations and Maintenance Procedures.

ARTICLE IX

Liability

The Owner shall indemnify the Licensee against all claims for expenses, personal injury, including death or property damage to the extent such claims result from or arise out of the Owner's negligent or willfully wrongful acts or omissions in operating, locating or maintaining its poles or attachments. The Licensee shall indemnify the Owner against all claims for expenses, personal injury, including death, or property damage to the extent such claims result from or arise out of the Licensee's negligent or willfully wrongful acts or omissions in attaching or maintaining any attachments to the Owner's poles. In the event that both the Owner and the Licensee are jointly or concurrently negligent, The Owner and the Licensee shall share such liability to third parties resulting therefrom, according to the degree of their respective negligence.

ARTICLE X

Rights of Other Parties

Nothing contained herein shall be construed as affecting any rights or privileges heretofore or hereafter granted to others not a party to this Agreement to use any poles covered by this Agreement, and the Owner shall have the right to continue, modify and extend any such rights or privileges in accordance with the terms of any such rights or privileges.

ARTICLE XI

Assignment

Neither party to this Agreement shall transfer or assign any of its rights or interests hereunder to any person, firm or corporation without the written consent of the other party, its successors or assigns, provided, however, that nothing herein contained shall prevent or limit the right of either party to mortgage any or all of its property, rights, privileges and franchises, or to enter into any merger or consolidation.

ARTICLE XII

Waiver of Terms and Conditions

Failure to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not be construed as a waiver of such terms and conditions but the same shall be and remain at all times in full force and effect.

ARTICLE XIII

Term of Agreement

This Agreement shall be effective upon the date hereof and continue in effect for an initial term of five (5) years. This Agreement shall then renew automatically for five (5) year terms, provided however, that either party may terminate this Agreement after the expiration of the initial term by giving notice to the other party that the Agreement will not be extended beyond the term for which the Rental Fee has been paid in full.

The Company's facilities on the poles located in the Special Joint Use Area will have the right to attach in accordance with this agreement for as long as the Company operates and maintains its facilities in the

Special Joint Use Area. The Company will have the first right to acquire the poles in the Special Joint Use Area if the City, or its successor, ceases to use the City's poles.

ARTICLE XIV

Notices and Documents

Notices or other documents to be given or furnished to the Company shall be delivered or mailed to:

Consumers Energy Company
Att: Director, Distribution Agreements
1945 W Parnall Rd.
Jackson, MI 49201

Notices or other documents to be given or furnished to the City shall be delivered or mailed to:

City of Marshall
Att: Director of Electric Utilities
906 S Marshall Ave.
Marshall, MI

Either party may at any time change its address or addressee by giving notice in writing of such change to the other party.

ARTICLE XV

Previous Agreements

This Agreement supersedes all previous agreements, representations, understandings and negotiations either written or oral between the parties hereto, or their representatives pertaining to the subject matter hereof.

This Agreement constitutes the entire Agreement between the parties, with regard to "joint use."

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CONSUMERS ENERGY COMPANY

CITY OF MARSHALL)

By: _____
Kurt A Rudolph
Its Director, Distribution Agreements

By: _____
Trisha Nelson
Its City Clerk

APPROVED AS TO FORM
JUL 5/10/12

OPERATIONS AND MAINTENANCE PROCEDURE

This Operations and Maintenance Procedure is established to provide a method for implementing the Joint Use Agreement between Consumers Energy Company and the City of Marshall.

I. Facility Alterations

Both parties agree that the Owner of a pole will be the party to determine whether facility alterations are necessary in order to accommodate the request of the Licensee for joint use of a pole. The Licensee may request the space needed to provide for its attachments. If, in the Owner's opinion, that space is not available or the Licensee cannot tolerate the space which is available, the Owner will make the facility alterations (not including pole replacement which is governed by Section V, Ownership of Poles of this Exhibit A) necessary to provide for the Licensee's needs. The Licensee shall reimburse the Owner for all alterations made including but not limited to rearranging and/or replacement of the existing facilities, additional guying of the pole, necessary tree trimming, preconstruction surveys, engineering, preparation of work orders and drawings, and post-construction inspections. In all cases, the Owner shall have the right to maintain ownership of the pole.

II. Establishing Joint Use

1. Whenever a Licensee desires to place attachments or to reserve space for its attachments on any pole of the Owner, it shall make a written application in the form of Exhibit B, specifying the location of the pole or poles in question, the amount or space desired, the number and character of the circuits to be placed thereon and the date such attachments are desired. The Owner reserves the right to exclude from joint use any pole as, in the Owner's sole judgment, is necessary for its sole use and the Owner shall notify the Licensee in writing within forty-five (45) business days whether or not said pole is among those the owner has excluded from joint use. Upon receipt of notice from the Owner that said pole is not excluded from joint use and after completion by the Owner of any facility alterations required with respect to the attachments on said pole, including any necessary pole replacement, the Licensee shall have permission as the Licensee hereunder to use said space for attachments and circuits of the character specified in said application provided that such use shall at all times be in accordance with the terms of the Agreement and applicable law. Any replacements of existing poles, because of insufficient height and/or strength, for the purpose of establishing joint use shall be subject to the provisions of Paragraphs 1 and 2 of Section V of this Exhibit A and the parties shall cooperate in carrying out such work.

III. Rights of Way for Licensee's Attachments

No guarantee is given by the Owner as to permission from property owners or others for the use of its poles and/or right of way by the Licensee, it being hereby agreed that the Owner and Licensee shall each obtain its own right of way for its joint use of poles hereunder. If the Licensee fails to obtain adequate right of way and objection is made thereto by property owners or others, the Licensee shall resolve the matter to the Owner's satisfaction within sixty (60) days following written notice of such objection. If the Licensee fails to resolve the matter within said sixty (60) day period, the Owner may, upon written notice to the Licensee, require the Licensee to remove its attachments from the Owner's poles at the Licensee's sole expense.

IV. Construction, Rearrangement and Maintenance of Poles and Attachments

1. All construction and maintenance in connection with joint use of the poles covered by the Agreement shall be in accordance with good utility practice and applicable rules of governmental authorities having jurisdiction and such other written specifications as may be agreed upon from time to time by both parties.
2. The Owner shall maintain at its own expense its poles in a safe and serviceable condition, in accordance with the specifications mentioned above, and shall replace, reinforce or repair such of said poles as become defective. Each party shall maintain at its own expense all of its own attachments on joint poles in accordance with said specifications and shall keep them free of trees, in safe condition and in thorough repair.
3. Each party shall place, transfer, rearrange and remove its own attachments, including the securing of necessary right of way or permits and any tree trimming or cutting incidental thereto, placing guys or ground bracing to sustain unbalanced loads due to its attachments, and shall perform such work promptly and in such manner as not to interfere with the service of the other party, all at its own expense.
4. When replacing a pole on which the Licensee has attachments, the Owner shall, insofar as can be done practicably, set the replacement pole immediately adjacent to or in the same hole as the replaced pole occupied. Insofar as circumstances permit, the replacement pole shall be set in a manner which, in the Owner's judgement, readily facilitates the transfer of existing attachments to the replacement pole. If conditions make it necessary to set the replacement pole in a different location, the Owner shall, if time permits, attempt to obtain agreement as to the new location with the Licensee. In the event agreement is not reached, the final decision as to pole location shall be made by the Owner.
5. Whenever it is necessary to replace or relocate a joint pole, except when requested by the Licensee, the Owner shall, before making the change, give notice thereof in writing (except in case of emergency, when oral notice may be given if subsequently confirmed in writing) to the Licensee, specifying in such notice

the time of such proposed replacement or relocation. The Licensee shall at the time so specified transfer its attachments to the new or relocated pole.

6. Any existing joint use construction of the parties hereto, which does not conform to the specifications mentioned in Item 1 of this section, shall be brought into conformity therewith as soon as practicable. When such existing joint use construction shall have been brought into conformity with said specifications, it shall at all times thereafter be maintained as provided in Item 2 of this section.

V. Ownership of Poles

1. The ownership of future poles for joint use shall be determined by mutual agreement between the parties, in accordance with the following rules:
 - A. Whenever space is to be occupied on the pole by both parties for their primary line facilities, the party who is to occupy the greater space for such facilities shall erect and be the Owner of the pole.
 - B. Whenever space is to be occupied on any pole by either party for circuits operating at voltages in excess of 25,000 volts, the party who is to occupy such space shall erect and be the Owner of the pole. The rule stated in this Paragraph B shall have precedence over the rule stated in Paragraph A above.
2. In any case where a pole is erected hereunder as the replacement of an existing pole solely to provide adequately for the Licensee's requirements, the Licensee shall pay to the Owner of the pole which is replaced a sum equal the total cost of the replacement project. The party who is to erect and own the new pole shall be determined in accordance with the provisions of Item 1 of this section.
3. Each party shall place, maintain, rearrange, transfer or remove its own attachments at its own expense.

VI Termination of Joint Use on an Individual Pole Basis

In addition to any termination provisions stated in the Agreement, joint use of individual poles may be terminated as follows:

1. If the Owner desires at any time to discontinue using any joint pole, it shall give the Licensee notice in writing to that effect at least ninety (90) days prior to the date on which it intends to remove its attachments from such pole. If, at the expiration of said period, the Owner shall have no attachments on such pole but the Licensee shall not have removed all of its attachments therefrom, such pole shall thereupon become the property of the Licensee. The Licensee shall pay the Owner a sum equal to the then value in place of such abandoned pole. As soon as practicable after such

transfer in ownership occurs, the former Owner of such pole shall furnish the new Owner with a bill of sale evidencing such transfer in ownership.

2. If the Owner desires at any time to terminate the Licensee's permission to use any joint pole, it shall give the Licensee notice in writing to that effect at least one hundred eighty (180) days prior to the date on which the Licensee's permission is to terminate, and the Licensee, at its expense, shall remove its attachments, if any, from such pole prior to said date of termination.
3. The Licensee may at any time discontinue using any joint use pole by notifying the Owner in writing in the form of Exhibit C by removing from the joint use pole any and all attachments it may have thereon.

VII Competition

The City agrees it will not install any new low voltage distribution attachments on its new 138kv poles along Old US 27 North outside the City Limits that may be used to serve future customers. *This section is not part of the 1/16/15 version of procedure.*

VIII Identification

The City and Consumers agree to mark their facilities on the other Party's poles with an appropriate means of identification. Each Party's poles shall be branded or tagged indicating the owner and a unique pole identification. Markings shall be made such that identifications shall be readable by the naked eye from the ground.

POLE ATTACHMENT APPLICATION AND PERMIT

EXHIBIT B

FOR CONSUMERS ENERGY USE ONLY			
Permit #	Notification #	Date Received by Consumers Energy	
BUSINESS INFORMATION			
Applicant Company Name (per Pole Agreement)		Applicant Project information (optional)	
Billing Address	City	State	Zip Code
Contact Telephone Number ()	Contact Fax Number ()	Contact E-mail Address	
Authorized Contract Signor	Title	Contact Name	
CONTRACTOR INFORMATION			
Applicant Company Name (Legal name as registered with the State of Michigan)			
Billing Address	City	State	Zip Code
Telephone Number ()	Fax Number ()	Contact Name	
INTENDED USE			
Type of Construction: New, Rebuild, Overlash, Other (must describe).	Approximate Number of Pole Contacts	Approximate Mileage Covered	
Specification of cable to be installed:			
Check all that apply:	Type of Cable	Manufacturer	Product Description and Manufacturer Part Number
	Strand		
	Coax		
	Fiber		
	Other		
In accordance with the terms of our Agreement dated _____ application is hereby made for permission to make attachments to _____ poles located in _____ City/Twp, _____ County, TRS # _____, Michigan and more particularly located as indicated/or in attached sketch.			
RESULTS OF INSPECTION			NJUNS Ticket #(s)
			_____ _____ _____
FOR CONSUMERS ENERGY USE ONLY			
Field Ride-out Inspection Completed By	Date Field Ride-out Completed	Network Atmt. Specialist Authorization	Date Permit Approved
Permit granted subject to your payment of the following itemized costs:			
Application/Permit Fee	_____ Attachments @ \$_____ per attachment	\$ _____	
Engineering Evaluation Fee	_____ Attachments @ \$ 55.00 per attachment	\$ _____	
Pro-Rated Rental	_____ Attachments for _____ Months @ \$ _____ Attachments/Month	\$ _____	
	Less prepayment	\$ _____	
NOTE: This is not an invoice. A final billing will be mailed separately.			

COPY OF AUTHORIZED PERMIT REQUIRED ON JOB SITE

All cable shall be marked with an appropriate means of identification at every pole. All such identifications shall be readable by the naked eye from the ground. BY SUBMITTING THIS APPLICATION, YOU ARE AGREEING TO PROMPTLY REIMBURSE ANY PARTY THAT IS ALREADY ATTACHED TO ONE OR MORE OF CONSUMERS' POLES FOR ALL OF THE REASONABLE COSTS THAT SUCH PARTY MAY INCUR IN CONNECTION WITH RELOCATING, MODIFYING OR TRANSFERRING ALL OR PART OF ITS FACILITIES IN ORDER TO ACCOMMODATE YOUR ATTACHMENT(S).

CONSUMERS ENERGY COMPANY POLE ATTACHMENT

APPLICATION AND PERMIT PROPOSAL REQUIREMENTS AND PROCEDURE

Understanding Your Responsibility

1. **The Applicant is responsible to do their own engineering analysis to determine where on the pole they need to attach in order to meet NESC clearance requirements along the proposed route.** Consumers Energy, in its make ready inspection, evaluates the pole for its ability to accommodate all of the existing and new attachments from a clearance and pole loading perspective. After our make ready field construction is completed, the pole should have enough space and loading capacity to accommodate all of the attachments.
2. Consumers Energy generally does not specify attachment heights.
3. **There may be make-ready work that needs to be done by other attachers besides Consumers Energy.** The Applicant must make arrangements with the other attachers to move / transfer their facilities.
4. Consumers Energy does not permit the attachment of new facilities to transmission poles.
5. Consumers Energy is willing to assist in identifying other attachments on specific poles if requested by the Applicant.

Required Documents and Fees

1. **Application and Permit:** Prepare and submit pole attachment Application and Permit proposals prior to making any new attachments, expansions, service drops, upgrades, rebuilds or overlashing of cable attached to any Consumers Energy poles. Fully complete the Business Information, Contractor Information and Intended Use sections of the Application and Permit Proposal form. Pole Attachment Proposals with incomplete Application and Permit forms, route maps, attachment specification worksheets, or lack of funds will not be processed. Submit to the appropriate Network Attachment Specialist. (Limit of 50 poles per Application and Permit proposal.)
2. **Fees:** Include the Pole Inspection Evaluation Fees (\$55.00 per pole) and Permit Application Fees with the Application and Permit Proposal. Pole Inspection Evaluation and Permit Application Fees are nonrefundable.
3. **Maps:** Include detailed route maps that clearly show the location of each pole your proposal applies to. Maps must include:
 - a. List Township, Range and Section (TRS) information plus City/Township information on each map.
 - b. A map number on each map that you are submitting.
 - c. A number for each pole on each map that your proposal applies to.
 - d. Street and road names.
 - e. Crossroad information.
 - f. A legend of the map symbology.
 - g. A correct North direction symbol.
 - h. Guying locations (display correct offsetting direction) ¹.
 - i. Span lengths.
 - j. Railroad crossings and limited access crossing (Note: Railroad crossing permit requirements may apply).

- k. HVD poles (poles carrying 46kV or higher) will not be approved for new attachments
- l. Identify any known or possible make ready locations on the maps with the following symbol:



- 4. **Pole Attachment Proposal Specifications Data Sheet:** Complete the pole attachment proposal specification datasheet for each route map provided. Ensure compliance of Exhibit A of the Pole Agreement.
 - Upon completion of the Pole Inspection Evaluation, a make-ready cost estimate, if any, will be forwarded to the Applicant. Make-ready costs must be paid in advance of make-ready alterations. Make-ready alterations must be completed before attachments will be permitted.
 - Upon completion of the prior steps, the Network Attachment Specialist will return a copy of the Application and Permit to the Applicant authorizing attachments to the Consumers Energy poles requested on the Application and Permit. Attachments must comply with National Electrical Safety Code (NESC) and Consumers Energy Standards.
- 5. Upon completion of the Applicants construction, the Applicant must notify the Network Attachment Specialist to schedule a Post Construction Inspection.

Network Attachment Specialist (NAS) contact and mailing information:

West NAS:
 Holly Webb
 1945 W Parnall
 P24-717
 Jackson, MI 49201
 Voice: 517-788-1690
 Fax: 517-788-2577
holly.n.webb@cmsenergy.com

Southern NAS:
 Jordon Goodwin
 1945 Parnall Road
 Room P-24-719
 Jackson, MI 49201
 Voice: 517-788-0207
 Fax: 517-788-2577
jordon.goodwin@cmsenergy.com

North NAS:
 Kellie Narlock
 4141 East Wilder Road
 Bay City, MI 48706
 Voice: 989-667-5151
 Fax: 989-667-5164
kellie.narlock@cmsenergy.com

Pole Ownership

Please be advised that Consumers Energy sold certain transmission poles to the Michigan Electric Transmission Company (METC) in 2002. Under Article 7.1 of the Agreement, the "Initiating User" must give METC at least 30 days' written notice prior to undertaking any excavation, construction installation or similar activities and, on and subject to the provisions of such Section 7.1, obtain METC's approval of the proposed use as a "Compatible Use". In addition, other parties own poles within the State of Michigan. It is important that you make application for attachment permission to the appropriate pole owner. Below is a partial list of pole owners:

Michigan Electric Transmission Company (METC)
 Attn: Fernando Guevara
 Sr Real Estate Specialist
 27175 Energy Way
 Novi, MI 48377
 Ph: 248-374-3514
fquevara@itctransco.com

AT&T
Attn: Ron Cicilian
Area Manager
31100 Plymouth Road, Room 301
Livonia, MI 48150
Ph: (734) 523-6870
rc2751@att.com

Frontier North
Attn: Adam Christman
Specialist-Network Engineering
8001 W. Jefferson Blvd.
Fort Wayne, IN 46804
Ph: (260) 461-5010
adam.p1.christman@ftr.com

McLeodUSA Telecommunications Services, Inc.
Attn: Dirk Welte
1295 S Linden Road
Flint, MI 48532
Ph: (810) 691-1035
dirk.welte@windstream.com

Detroit Edison
Attn: Dan Dunlop
2000 Second Avenue, Room 440SB
Detroit, MI 48226
Ph: (313) 235-8426
dunlopd@dteenergy.com

Additional tools and suggestions that may be of assistance in identifying pole ownership:

- MPSC Web Site <http://www.dleg.state.mi.us/mpsc/electric/map.htm> displays Electric Utility Service Areas and is helpful in identifying service providers by city, town, township and county (not aware of a similar site for telephone or other pole owners).
- During the route selection engineering, thoroughly inspect each pole for identification markings (branding or tagging) which may provide pole owner information.
- If pole branding has faded, following a service wire to a meter or communications interface box may help identify which utility provides service in the area and may own the pole.
- Purchase utility maps if available (Consumers Energy charges \$20 per map section).

FEE SCHEDULE

The Licensee shall pay the owner, with respect to each and every pole of the Owner upon which the Licensee has attachments, the following fee payments for the year 2016 ¹:

- A. \$24.15 per pole on which Licensee has a secondary voltage attachment only.
- B. \$35.56 per pole per year for poles on which Licensee has primary voltage attachments including poles on which Licensee has both primary and secondary voltage attachments.
- C. No charge for poles on which Licensee has only supports, anchors, and other attachments not designed to be energized.

Joint Pole Fee Table					
	Total	50'	55'	60'	65'
#	36462.6	8609	12970	6308.3	8575.3
Avg \$/pole		\$ 1,283.75	\$ 1,472.74	\$ 2,724.87	\$ 2,429.49
Jp	\$ 1,869.76				
Fp		\$ 44.64			
	Total	35'	40'	45'	
#	11150.3	2357	4109	4684.3	
Avg \$/pole		\$ 495.87	\$ 848.22	\$ 1,357.53	
Js	\$ 987.70				
Fs		\$ 23.58			
Where:					
C =		0.0618			

For the years after 2016, the pole rental rates for all poles upon which attachments are or have been made shall be determined annually, by application of the following formulas:

$$Fp = 0.38636 \times Jp \times C$$

$$Fs = 0.38636 \times Js \times C$$

Where:

Fp = Primary voltage attachment fee

Fs = Secondary voltage attachment fee

¹If this Agreement is not actually entered into until after 2016, then the calendar year in which this Agreement is executed by the parties will be shown in place of 2016, and the dollar amounts shown "A" and "B" of Subsection 1 will be determined by updating the 2016 amounts now shown there in accordance with the provisions of Subsection 2.

Jp = The Company's average investment in its 50-foot, 55-foot, and 60 foot poles which shall be determined annually by the Company as follows: The average installed cost for the Company's poles of each height installed each year shall be multiplied by the number of poles of such height installed by the Company in such year and remaining in service at the end of the years for which the calculations is being made. These amounts for all such heights for all such years are to be added together and the sum is then divided by the total number of poles of such heights. The result of the above computation shall be deemed to be the Company's average investment in its primary poles. This calculation shall be based upon the year preceding the year during which the rentals are due.

Js = The Company's average investment in its 35-foot, 40-foot, and 45 foot poles which shall be determined annually by the Company as follows: The average installed cost for the Company's poles of each height installed each year shall be multiplied by the number of poles of such height installed by the Company in such year and remaining in service at the end of the years for which the calculations is being made. These amounts for all such heights for all such years are to be added together and the sum is then divided by the total number of poles of such heights. The result of the above computation shall be deemed to be the Company's average investment in its primary poles. This calculation shall be based upon the year preceding the year during which the rentals are due.

C = The Company's annual carrying charge rate for distribution pole plant (expressed in decimal form) which shall be computed for the year preceding the year in which the rental payments are due. Said annual carrying charge rate shall be computed in the Company's usual manner and shall include depreciation; real, personal and franchise taxes; Michigan Single Business Tax; Federal, Michigan, and City income taxes; cost of capital; electric distribution operating and maintenance expense, including a portion of tree trimming expenses; and customer accounting, sales promotion, administration and general expenses.

[Note: It is understood that although the costs constituting Jp, Js, and C, which are to be used to compute Fp and Fs as set forth above, are costs of the company, the amounts so determined for Fp and Fs will be used by the City to charge the Company for attachments of the Company on the City's poles as well as being used by the Company for any attachments of the City on the Company's poles.]

The pole attachment rental fees due hereunder shall accrue as of December 31st of each calendar year based upon the number of joint use poles owned by each party upon which the other party has or has had attachments during such calendar year. Within 30 days of the end of the year, each party shall submit a written statement to the other giving the rental amount due for the preceding year. Payment shall be made within thirty days of receipt of such statement.

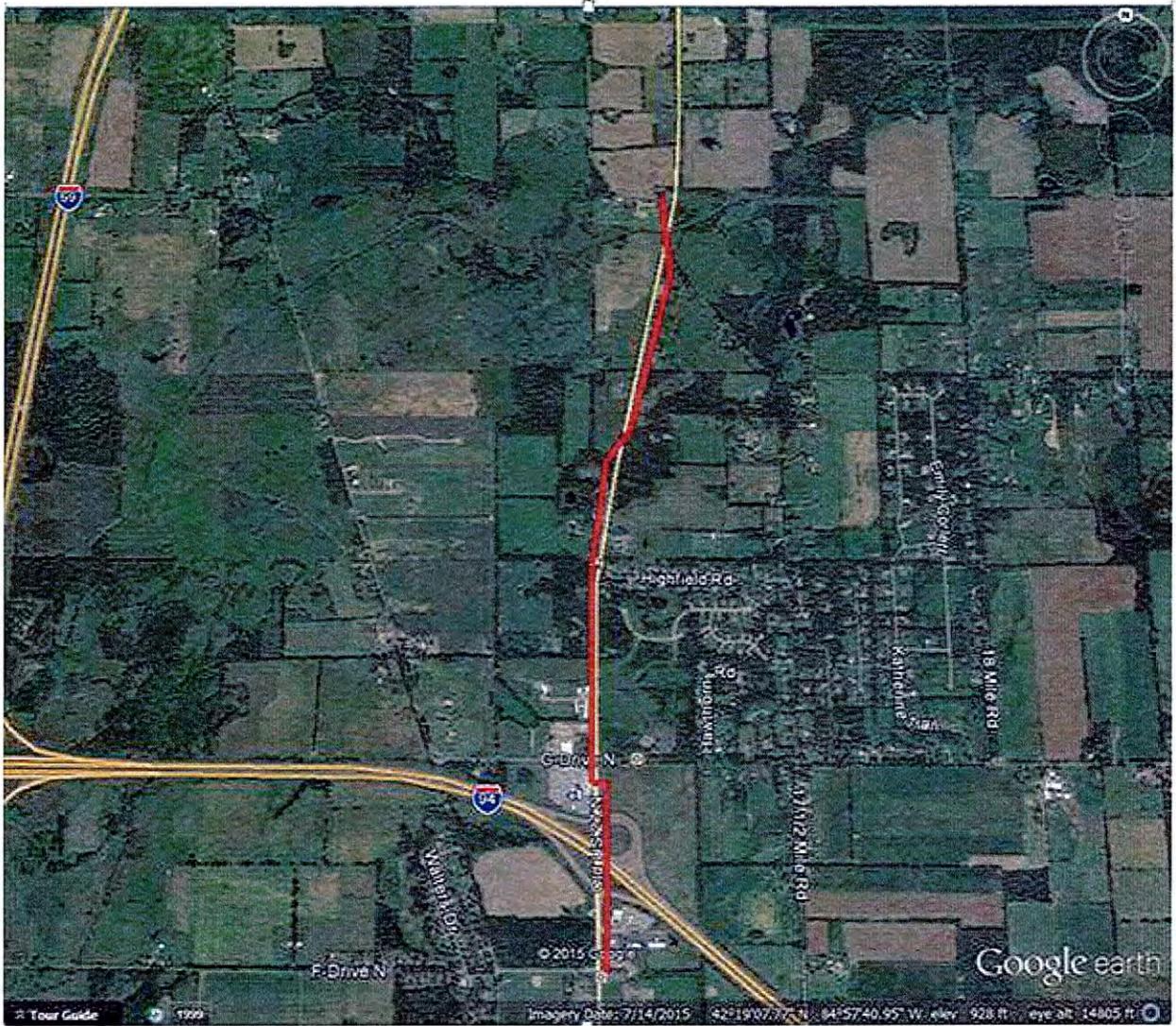
JOINT USE POLE SURVEY RESULTS

This Operations and Maintenance Procedure is established to provide a method for implementing the Joint Use Agreement between Consumers Energy Company and the City of Marshall. The following table is from a survey performed around 2006. It will be considered in effect until a subsequent survey is conducted by the Parties. Consumers' poles will be billed at 50% Jp and 50% Js, because the most if not all of the poles are part of Consumers' 46kV HVD system. Marshall's poles will be considered Js, because most of the poles are low voltage distribution and Consumers is an incidental attachment. Upon completion of a proper survey a new table will be created that identifies the pole category for billing purposes.

Map	Company Poles that the City is attached to:	City poles that the Company is attached to:
52-06-27	2	0
52-06-26	55	7
52-06-25	37	1
52-06-23	0	12
52-06-13	2	0
52-06-36	4	0
Total	100	20

¹ All dead-end, angle, corner or unbalanced pole situations must include an anchor/guy plan. Incomplete anchor/guy plans for pole attachment locations will be placed on hold until guying information is provided (must include guy lead information and guy attachment height in the "Guy Lead" and "Notes" sections of the Pole Data Sheet). Anchors/guys are required for any pole that is out-of-line and causes a pull that must be countered with an anchor/guy. Applicant must provide their own anchor/guy and not attach to Consumers Energy anchor. In addition, slack span installations are not acceptable without prior approval from Consumers Energy.

SPECIAL JOINT USE AREA





ADMINISTRATIVE REPORT
June 6, 2016 - CITY COUNCIL MEETING

TO: Honorable Mayor and City Council
FROM: Tom Tarkiewicz, City Manager
SUBJECT: Removal of Downtown Parking meters

BACKGROUND: Several years ago, the Council placed a moratorium on parking meter enforcement. A metal insert was placed in the coin slot to deter people from paying for the meter parking. As meters are damaged, they have been removed.

Some of the downtown retailers have mentioned that some of their customers have come in asking why they cannot insert coins in the meter and feared being ticketed. The meter housings and posts are looking very shabby. Also, with the installation of the new planters, the first five feet from the curb has become occupied with the new planters, benches, light poles, trash containers, traffic control signs, and trees.

RECOMMENDATION: It is being recommended that the meter and posts be removed.

FISCAL EFFECTS: No additional cost. The Streets Department will remove the posts as time allows in their schedule. The meters will be sold for \$5.00 each.

ALTERNATIVES: As suggested by City Council.

CITY GOAL CLASSIFICATION: Not Applicable

Respectfully submitted,

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com



ADMINISTRATIVE REPORT
June 6, 2016 – City Council Meeting

TO: Honorable Mayor and City Council

FROM: Tom Tarkiewicz, City Manager
Tracy Hall, Human Resources Coordinator

SUBJECT: Fire Union Agreement
Local 1929 International Association of Firefighters,
AFL-CIO, CLC

BACKGROUND: The City of Marshall has completed negotiations with the International Association of Firefighters, AFL-CIO, CLC and its Local 1929. We have reached mutual agreement on the collective bargaining agreement. Attached is a Fact Sheet summarizing the major changes made to the Agreement.

The bargaining unit has ratified the contract. The three-year agreement will expire June 30, 2019.

RECOMMENDATION: We respectfully request that City Council approve the Contract as presented.

FISCAL EFFECTS: The costs associated with implementation of the new contract wage provisions were included in the FY17 Adopted Budget. Any increase in costs associated with Holiday Pay and Boot Allowance will be absorbed within the FY17 Adopted Budget for the Fire Department (101-336).

ALTERNATIVES: As suggested by City Council.

Respectfully submitted,

A handwritten signature in cursive script that reads "Tom Tarkiewicz".

Tom Tarkiewicz
City Manager

A handwritten signature in cursive script that reads "Tracy Hall".

Tracy Hall
HR Coordinator

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

Negotiation Summary City of Marshall DPW

Wages

Increase wages 2% July 1 of each year of a three year contract (July 1, 2016 – June 30, 2019)

Health Insurance

The Community Blue PPO with HRA health insurance plan will no longer be offered. This is the most expensive plan the City offered.

Longevity

Longevity will not be available for any new hires.

Valid Licenses

Language was added that employees must have EMT license or higher within one (1) year from date of hire into the department.

Promotional Procedures

Appendix B – Promotional Procedures was removed from the contract. This gives City Administration more flexibility in the hiring process for any future job openings in the Fire Department.

Job Title Change

The title “Assistant Chief” will be changed to “Captain”. This is a change in title only, and is to help lessen the confusion on the scene.

Boot Allowance

The boot allowance was increased to an amount equal to \$100 per year of the contract.

Holiday Pay

Holiday pay will be changed from a flat dollar amount to 96 hours straight time compensation. This is more comparable to how holiday pay is handled in other City departments.

K-9 Handler

Discussion on this topic will continue and language/procedures shall be in place prior to the K-9 going into service.



ADMINISTRATIVE REPORT
June 6, 2016 - CITY COUNCIL MEETING

TO: Honorable Mayor and City Council

FROM: Tom Tarkiewicz, City Manager
Tracy Hall, HR Coordinator

SUBJECT: Annual Compensation of Administrative Officials,
Department Heads, and Salaried Personnel

BACKGROUND: The charter of the City of Marshall, Section 2.27, Annual Compensation states "The city council shall set the salaries of all administrative officials, department heads and salaried personnel by June 30 of every year, except as provided by State law. Such salaries shall be included in the annual budget..."

Attached is a listing, by job title, of the proposed wages for the administrative officials, department heads and salaried personnel. The proposed wages were determined by each employee's performance and their evaluation. These proposed wages are contained within the FY17 adopted budget for the City of Marshall. As indicated by Charter, the wages must be formally approved by Council.

RECOMMENDATION: Approve the proposed FY17 wages for the administrative officials, department heads and salaried personnel as presented.

FISCAL EFFECTS: The wages as shown on the attached listing, are included in the FY17 adopted budget.

ALTERNATIVES: As suggested by City Council.

CITY GOAL CLASSIFICATION: Not Applicable

Respectfully submitted,

Tom Tarkiewicz
City Manager

Tracy L. Hall
HR Coordinator

323 W. Michigan Ave.

Marshall, MI 49068

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f 269.781.3835

cityofmarshall.com

Non-union Wages

effective
7/1/2016

	Pay Grade	Position	16-17 Wage
1	10	Clerk	45,497.920
2	10	HR Coordinator	47,440.640
3	11	Treasurer	44,930.080
4	11	DART Manager	45,483.360
5	11	Marshall House Administrator	49,741.120
6	12	Recreation Administrator	53,040.000
7	12	Assessor	55,768.960
8	13	DPW Superintendent	59,895.680
9	13	Waste Water Superintendent	60,488.480
10	13	Water Superintendent	61,081.280
11	13	Deputy Fire Chief	65,472.160
12	14	Deputy Police Chief	72,515.040
13	15	Finance Director	69,971.200
14	15	Director of Public Services	77,839.840
15	15	Director of Electric Utilities	80,111.200
16	16	Assist City Manager / Community Services	80,111.200
17	16	Director of Public Safety	84,897.280
18		City Manager	115,844.410