

Marshall City Council, Regular Session
Monday, March 7, 2011

CALL TO ORDER

IN REGULAR SESSION Monday, March 7, 2011 at 7:00 P.M. in Council Chambers of Town Hall, 323 West Michigan Avenue, Marshall, MI, the Marshall City Council was called to order by Mayor Dyer.

ROLL CALL

Roll was called:

Present: Council Members: Booton, Mayor Dyer, Mankerian, Metzger, Miller, Traver, and Williams.

Also Present: City Manager Tarkiewicz.

Absent: None.

INVOCATION/PLEDGE OF ALLEGIANCE

Mayor Dyer led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Moved Miller, supported Metzger, to approve the agenda with the removal of item 12A – Set Public Hearing for Electric, Water, and Sewer Rate Ordinance Amendment. On a voice vote: **MOTION CARRIED.**

PUBLIC COMMENT ON AGENDA ITEMS

John LaPietra of 386 Boyer Court spoke of his questions he submitted to City Staff.

CONSENT AGENDA

Moved Williams, supported Mankerian, to approve the consent agenda:

- A. Approve minutes of the City Council Work Session and Regular Session held on Tuesday, February 22, 2011;
- B. Approve city bills in the amount of \$1,936,163.17.

On a roll call vote – ayes: Booton, Mayor Dyer, Mankerian, Metzger, Miller, Traver, and Williams; nays: none. **MOTION CARRIED.**

PRESENTATIONS AND RECOGNITIONS

None.

INFORMATIONAL ITEMS

Marshall City Council, Regular Session
Monday, March 7, 2011

Chief Schwartz discussed the Proposed Agreement for Non-Motorized for Hire Vehicles.

PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

None.

OLD BUSINESS

None.

REPORTS AND RECOMMENDATIONS

A. Wastewater Project Planning - Award:

Moved Williams, supported Mankerian, to accept the proposal from Stantec Consulting Michigan Inc. for the 2012 wastewater improvements project planning for the not to exceed cost of \$15,000 and approve the resolution stating intent to reimburse expenditures from the SRF loan, S2 Grant proceeds, or bond proceeds for the improvement to the wastewater collection and treatment facilities. On a roll call vote – ayes: Mayor Dyer, Mankerian, Metzger, Miller, Traver, Williams, and Booton; nays: none. **MOTION CARRIED.**

**CITY OF MARSHALL, MICHIGAN
RESOLUTION #2011-07**

**RESOLUTION STATING INTENT TO
REIMBURSE EXPENDITURES FROM BOND PROCEEDS FOR
IMPROVEMENT TO THE WASTEWATER AND WATER COLLECTION,
DISTRIBUTION AND TREATMENT FACILITIES**

A RESOLUTION TO PROVIDE FOR:

Statement of Intent to reimburse expenditures from bond proceeds required by Internal Revenue Code for tax-exempt debt.

WHEREAS, the City of Marshall, County of Calhoun, State of Michigan (the “City”) is developing a plan to improve various equipment and infrastructure at the wastewater treatment plant and the wastewater collection system (the “Project”); and

WHEREAS, the City may receive a loan to finance costs of the Project from the State Revolving Fund through the Michigan Department of Natural

Resources and Environment or a limited tax obligation bond to finance the Project.

WHEREAS, the Internal Revenue Service has issued Treasury Regulation § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, governing proceeds of debt used for reimbursement, pursuant to which the City must declare official intent to reimburse expenditures with proceeds of such debt before making the expenditures.

NOW, THEREFORE, BE IT RESOLVED THAT:

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

(1) As of the date of this resolution the City reasonably expects to reimburse itself for the expenditures described in (2) below with proceeds of debt to be incurred by the City.

(2) The expenditures described in this paragraph (2) are to pay certain costs associated with the Project which were or will be paid subsequent to sixty (60) days prior to the date hereof or which will be paid prior to the issuance of the debt from the general funds or capital fund of the City.

(3) As of the date hereof, the maximum principal amount of debt expected to be issued for reimbursement purposes, including reimbursement of debt issuance costs, Two Million One Hundred Thousand Dollars (\$2,100,000) which debt may be issued in one or more series and/or together with debt for other purposes.

(4) A reimbursement allocation of the expenditures described in paragraph (2) above with the proceeds of the borrowing described herein will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project are placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the debt to be issued for the Project to reimburse the City for a capital expenditure made pursuant to this Resolution.

(5) The expenditures for the Project are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of

the definition of “placed in service” under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

(6) No proceeds of the borrowing paid to the City in reimbursement pursuant to this Resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in paragraph (4) above.

2. This declaration is executed to indicate the intent of the City only, and does **NOT** bind the City to acquire and construct any improvements or to issue any bonds or other obligations of the City.

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

Sandra Bird, Clerk-Treasurer

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 March 7, 2011 at 7:00 o'clock p.m., prevailing 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.

Sandra Bird, Clerk-Treasurer

APPOINTMENTS / ELECTIONS

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Dennis Orr, owner of H & R Block, stated his concern with parking in the parking structure.

John LaPietra of 386 Boyer Court informed Council of his intention to withdraw his membership from the Hospital Neighborhood Committee.

COUNCIL AND MANAGER COMMUNICATIONS

Marshall City Council, Regular Session
Monday, March 7, 2011

None.

ADJOURNMENT

The meeting was adjourned at 7:30 p.m.

James L. Dyer, Mayor

Sandra Bird, Clerk-Treasurer