CITY OF HANCOCK COUNCIL MEETING WEDNESDAY, OCTOBER 6, 2021 CITY COUNCIL CHAMBERS, 399 QUINCY ST.

Regular Meeting at 6:02 PM

Call to order and pledge of allegiance led by Mayor Paul LaBine

Roll Call and verification of quorum

Present: Councilors Lytle, Freeman, LaBine, Rickard, Warstler, Haeussler

Absent: Councilor Blau

Motion by Councilor Haeussler and supported by Councilor Rickard to excuse Councilor Blau from tonight's meeting.

Yes: All No: None Motion Carried

Also Present: Josh Visser, Thomas Fornier, Michael Markham, Sadiq Edo-Abdi

<u>Review and approval of agenda</u> – Motion by Councilor Freeman and supported by Councilor Rickard to approve the agenda.

Yes: All No: None Motion Carried

Communications

Community Arts Center September 2021 newsletter

Assessor Report

Michigan Department of Transportation ACT 51 mileage letter

FM Expansion Group

State of Michigan Public Service Commission – UPPCO Notice of Hearing

Copper Dog letter to members of the Copper Country Community – race dates March 4th – March 6th, 2022

Motion by Councilor Freeman and supported by Councilor Warstler to accept and put on file the communication as presented.

Yes: All No: None Motion Carried

Public Comment- None

Review and acceptance of meeting minutes

DDA August 2, 2021

Motion by Councilor Warstler and supported by Councilor Lytle to receive and put on file the meeting minutes as presented.

Yes: All No: None Motion Carried

Review and approval of meeting minutes

Regular City Council 9-15-2021

Closed City Council Meeting 8-18-2021

Motion by Councilor Lytle and supported by Councilor Rickard to approve the meeting minutes of the Regular City Council meeting of September 15, 2021 and the Closed City Council Meeting of August 18, 2021.

Yes: All No: None Motion Carried

Administrative Report

Beach closed October 4, 2021, Campground will be closing October 15, 2021

Dog Park fencing to be completed by the end of October

Election Accreditation - Linda Kalinec

Introduction of Sadiq Edo-Abdi as the CEDAM Fellow, will be here for 15 months, assist with the Redevelopment Ready Community (RRC) Certification process

Summary of SB82 budget approval includes \$235,000 for the City of Hancock for all FHWA flood repairs cost share.

DPW Director update – received 13 applications, interviewed 4, second interviews will be conducted next week. Auditor has been here to start work on the FY21 audit

612 Quincy St building update – brick coming down, building is safe for use

127 Quincy St sold – new owners are renovating

New Business

1. Motion by Councilor Rickard and supported by Councilor Freeman to approve Resolution 21-21 authorizing the City Manager to execute agreement 2022-062 with the Michigan Department of Transportation.

Yes: All No: None Motion Carried

2. Motion by Councilor Haeussler and supported by Councilor Rickard to approve the Munetrix subscription agreement for a term of three years with a \$4,000.00 per year charge.

Roll Call

Yes: Haeussler, Warstler, Rickard, LaBine, Lytle, Freeman

No: None Motion Carried

3. Motion by Councilor Lytle and supported by Councilor Freeman to approve the addendum to the Waste Management agreement for a 3-year term with an increase of 4% this year and subsequent yearly increases determined by the National WST (water, sewer, trash collection) index.

Roll Call

Yes: Freeman, LaBine, Rickard, Warstler, Haeussler

No: Lytle Motion Carried 4. Motion by Councilor Haeussler and supported by Councilor Rickard to approve Resolution 21-22 Authorizing Issuance of Limited Tax Obligation Refunding Bonds, Series 2021.

Roll Call

Yes: Haeussler, Warstler, Rickard, LaBine, Lytle, Freeman

No: None Motion Carried

5. Motion by Councilor Rickard and supported by Councilor Freeman to approve the submission of the grant application to USDA Rural Development to purchase a new police vehicle in 2022.

Roll Call

Yes: Lytle, Freeman, LaBine, Rickard, Warstler, Haeussler

No: None Motion Carried

6. Motion by Councilor Warstler and supported by Councilor Haeussler to approve Bill Siler's quote to complete 2 areas of paving on Ingot Street in the amount of \$15,500.00

Roll Call

Yes: Haeussler, Warstler, Rickard, LaBine, Lytle, Freeman

No: None Motion Carried

7. Motion by Councilor Haeussler and supported by Councilor Freeman to approve Bill Siler's quote to complete the basketball court at Terrance Park in the amount of \$15,000.00

Roll Call

Yes: Lytle, Freeman, LaBine, Rickard, Warstler, Haeussler

No: None Motion Carried

Public Comment- None

Council Member Comments

Councilor Haeussler – October 14th at 6 pm hockey history presentation at the MTU library. He has an appointment with his cardiologist on October 20th in Marquette, if he is unable to make it back in time for the council meeting, requesting he is excused from the meeting.

Councilor Rickard - Jim's pizza on Ethel St. is now open, welcome them to Hancock

Councilor Lytle – commented on the administrative update from Mary.

Motion by Councilor Haeussler and supported by Councilor Rickard to adjourn the meeting at 6:38 p.m.

Yes: All No: None Motion Carried

Paul LaBine, Mayor

Linda Kalinec, City Clerk

CITY OF HANCOCK RESOLUTION #21-21

Whereas, the City of Hancock has the authority to contract with the Michigan Department of Transportation for state and/or federal funds for passenger transportation related services; and,

Now, Therefore, be it resolved that the Mary Babcock, Transit Director/City Manager of the City of Hancock, be authorized and directed to execute said agreement 2022-062 for and on behalf of the City of Hancock:

CERTIFICATE

The undersigned duly qualified Board Secretary of the City of Hancock Transit certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Hancock City Council held on Wednesday, October 6, 2021.

Motion offered at a regular meeting of the Hancock City Council on Wednesday, October 6, 2021 by Councilor Kackard and seconded by Councilor Freeman.

Yes: 6 No: Ø

Motion Carried

Paul LaBine, Mayor

Linda Kalinec/City Clerk/Treasurer

RESOLUTION AUTHORIZING ISSUANCE OF LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021

CITY OF HANCOCK County of Houghton, State of Michigan Resolution 21-22

Minutes of a regular meeting of the City Council of the City of Hancock, County of Houghton, State of Michigan, held on October 6, 2021, at 6:00 p.m., prevailing Eastern Time.

PRESENT:	Members	William Lytle, Richard Freeman, Jr., Paul LaBine, Kurt Rickard,			
	Whitney Warstler; John Haeussler				
ABSENT:	Members	Ron Blau			

The following preamble and resolution were offered by Member <u>Rickard</u> and supported by Member <u>Freeman</u>:

WHEREAS, the City of Hancock Building Authority, County of Houghton, State of Michigan (the "Authority") has previously issued its 2008A Building Authority Bond (General Obligation Limited Tax), dated June 18, 2008 in the original principal amount of \$500,000 (the "2008A Bond") and its 2008B Building Authority Bond (General Obligation Limited Tax), dated June 18, 2008 in the original principal amount of \$104,000 (the "2008B Bond," together with the 2008A Bond, the "2008 Bonds"), which were issued to pay the costs of acquiring, constructing, furnishing and equipping improvements to the existing City Hall of the City of Hancock, County of Houghton, State of Michigan (the "City"), consisting generally of repair to the exterior of the building, the heating system, the cooling system, security features, the interior walls, floor covering and doors, together with related appurtenances; and

WHEREAS, the City and the Authority entered into a certain Limited Tax Full Faith and Credit General Obligation Contract of Lease (the "Contract") by which the City has agreed to pay cash rentals to the Authority in amounts sufficient to pay the debt service on the 2008 Bonds when due, and has pledged the City's limited tax full faith and credit therefor; and

WHEREAS, the 2008 Bonds and the Contract (together, the "Prior Bonds") are "outstanding securities" of the City within the meaning of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"); and

WHEREAS, Act 34 permits the City to refund all or any part of its outstanding securities, including the Prior Bonds; and

WHEREAS, the City has been advised that it may achieve interest costs savings through the refunding of all or a portion of the callable Prior Bonds; and

WHEREAS, the City desires to issue refunding bonds pursuant to Act 34 in the principal

amount of not to exceed Five Hundred Thousand Dollars (\$500,000) to refund all or a portion of the Prior Bonds to achieve interest cost savings for the benefit of the taxpayers of the City (the portion of the Prior Bonds to be refunded hereinafter referred to as the "Refunded Bonds"); and

WHEREAS, the City desires to solicit proposals from financial institutions and other prospective purchasers and negotiate the sale of the bonds to a purchaser within the parameters established by this resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. <u>Authorization of Bonds; Bond Terms</u>, Bonds of the City designated Limited Tax General Obligation Refunding Bonds, Series 2021 (the "Bonds") are authorized to be issued in the aggregate principal amount of not to exceed Five Hundred Thousand Dollars (\$500,000) for the purpose of paying the costs of refunding the Refunded Bonds, including the costs incidental to the issuance, sale and delivery of the Bonds.

The Bonds shall consist of bonds registered as to principal and interest of the denomination of \$1,000 not exceeding for each maturity the aggregate principal amount of that maturity, or alternatively, may consist of a single-instrument, non-convertible bond, as determined at the time of sale. The Bonds will be dated as of the date of delivery, or such other date as determined by the City Manager or City Clerk/Treasurer (each, an "Authorized Officer"), and mature or be subject to mandatory redemption on June 1st in the years 2022 to 2038, inclusive, or such other dates and/or years as shall be determined at the time of sale and in the amounts as determined by an Authorized Officer. The Bonds shall bear interest at a rate or rates to be determined upon negotiated sale thereof, payable semi-annually on June 1 and December 1, first payable on June 1, 2022, or such date as determined by an Authorized Officer at the time of sale, provided that the interest rate per annum on the Bonds shall not exceed five percent (5.00%) per annum. The Bonds shall not be sold at a price less than 100% of their par value. The Bonds may be issued as serial or term bonds or both and may be subject to mandatory redemption prior to maturity as determined at the time of sale. The Bonds may be subject to optional redemption prior to maturity as determined upon sale thereof.

Interest on the Bonds shall be paid by check or draft mailed by the Transfer Agent (as hereinafter defined) to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. Interest shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. Interest shall be payable to the registered owner of record as of the 15th day of the month preceding the payment date for each interest payment. The principal of the Bonds shall be payable at a Michigan bank or trust company to be selected by an Authorized Officer at the time of the sale of the Bonds as registrar and transfer agent for the Bonds (the "Transfer Agent"), provided that in the event that the Bonds are purchased by a single institutional investor the Treasurer may act as the Transfer Agent.

2. <u>Execution of Bonds; Book-Entry-Only Form</u>. The Bonds of this issue shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and City

Clerk of the City and shall have the seal of the City, or a facsimile thereof, printed or impressed on the Bonds. Bonds authorized by this resolution executed by facsimile signatures shall not be valid until authenticated by an authorized representative of the Transfer Agent. The principal of the Bonds shall be payable at a bank or trust company located in Michigan and qualified to act as bond registrar, paying agent and transfer agent or, if acceptable to the purchaser of the Bonds, by the Treasurer of the City who may be appointed to act as transfer agent for the bonds (the "Transfer Agent"). The Authorized Officers are each authorized to select and appoint the Transfer Agent. In the alternative, the Treasurer of the City may act as 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 any officer of the City 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 bond form within the parameters of this resolution as may be required to accomplish the foregoing.

- 3. <u>Transfer of the Bonds.</u> The Transfer Agent shall keep the books of registration for this issue on behalf of the City. Any bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond or bonds shall be surrendered for transfer, the City shall execute and the Transfer Agent shall authenticate and deliver a new bond or bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.
- 4. <u>Limited Tax Pledge; Debt Retirement Fund; Defeasance of the Bonds.</u> The City hereby pledges its limited tax full faith and credit for the prompt payment of the principal and interest on the Bonds. The City shall, each year budget the amount of the debt service coming due in the next fiscal year on the principal of and interest on the Bonds and shall advance as a first budget obligation from its general funds available therefor, or, if necessary, levy taxes upon all taxable property in the City subject to applicable constitutional, statutory, and charter tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year.

The Treasurer is authorized and directed to open a depositary account with a bank or trust company, or create a separate account on the books of the City designated by the City Council, to be designated 2021 LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as thee same become due and payable.

In the event 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 redemption, the principal of, premium, if any, and interest on the Bonds, shall be deposited in trust, 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 on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bond as provided herein.

5. <u>Bond Proceeds.</u> The Treasurer is authorized and directed to open a separate depositary account with a bank or trust company or establish a separate account on the books of the City, to be designated 2021 CAPITAL IMPROVEMENT REFUNDING BONDS ISSUANCE FUND (the "Issuance Fund") and deposit into the Issuance Fund a portion of the proceeds of the Bonds sufficient to pay the costs of issuance of the Bonds. The moneys in the Issuance Fund shall be used solely to pay the costs of issuance of the Bonds. Any amounts remaining in the Issuance Fund after payment of issuance expenses shall be transferred to the Debt Retirement Fund for the Bonds.

The balance of the proceeds of the Bonds shall be paid directly by the purchaser, together with moneys on hand in the Debt Retirement Fund, for the Refunded Bonds transferred by the City, to the United States Government as holder of the Prior Bonds, or deposited into a separate account established by the Treasurer (the "Prior Bonds Payment Account") in which case the Treasurer shall use the money deposited into the Prior Bonds Payment Account to redeem the Prior Bonds then outstanding.

6. Bond Form. The Bond shall be in substantially the following form: [THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MICHIGAN UNIFORM SECURITIES ACT, AS AMENDED, IN RELIANCE UPON EXEMPTIONS THEREUNDER. ANY RESALE OR OTHER TRANSFER OF THIS BOND MAY BE MADE ONLY UPON REGISTRATION UNDER SUCH ACTS OR IN AN EXEMPT TRANSACTION UNDER SUCH ACTS AND UPON COMPLIANCE WITH THE CONDITIONS SET FORTH HEREIN AND MAY BE OFFERED AND SOLD ONLY IF REGISTERED PURSUANT TO THE PROVISIONS OF THOSE ACTS OR IF AN EXEMPTION FROM REGISTRATION IS AVAILABLE.]

R-2021-22 UNITED STATES OF AMERICA STATE OF MICHIGAN COUNTY OF HOUGHTON

CITY OF HANCOCK LIMITED TAX GENERAL OBLIGATION REFUNDING BOND, SERIES 2021

Interest Rate	Maturity Date	Date of Original Issue	<u>CUSIP</u>				
%	June 1, 20	, 2017					
Registered Owner:							
Principal Amount:							
The City of Hancock, County of Houghton, 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 Maturity Date [specified above] [set forth in Exhibit A attached hereto and made a part hereof], 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 June 1, 2022 and semiannually thereafter. Principal of this bond is payable [at the office of							

[Bonds maturing in the years 2022 to 2031, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$1,000 maturing in the year 2032 and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after June 1, 2031, at par and accrued interest to the date fixed for redemption.

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

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the Transfer Agent to redeem said bond or portion thereof.]

[Insert Term Bond Provisions, if applicable.]

[This][Any] bond is transferable only upon the registration books of the City kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed.

This bond, including the interest thereon, is payable as a first budget obligation from the general funds of the City, and the City is required, if necessary, to levy ad valorem taxes on all taxable property in the City for the payment thereof, subject to applicable constitutional, statutory, and charter tax rate limitations.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required 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 City Council, has caused this bond to be executed with the [manual/facsimile] signatures of its Mayor and its City Clerk and its corporate seal or a facsimile thereof to be [impressed/printed] hereon, all as of the Date of Original Issue.

CITY OF HANCOCK County of Houghton State of Michigan

By:

Its: Mayo

By:

ts: City Cl

(SEAL)

(Form of Transfer Agent's Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned resolution.

[Bond printer to insert form of assignment]

- Negotiated Sale; Delegation to Authorized Officers; Sale Order. The City Council has considered the option of selling the Bonds through a competitive sale and a negotiated sale, and pursuant to the requirements of Act 34, based on the advice of its financial advisor, determines that a negotiated sale of the Bonds will allow more flexibility in accessing the municipal bond market, and to price and sell the Bonds at the time that is expected to best achieve the most advantageous interest rates and costs to the City, and will provide the City with greater flexibility in structuring bond maturities and adjusting terms for the Bonds. The Authorized Officers are each authorized hereby authorized to select a purchaser for the Bonds (the "Purchaser"), negotiate the sale of the Bonds with the Purchaser, and to place the Bonds with the Purchaser, subject to the parameters set forth in this resolution. The Authorized Officers are each authorized to award the sale of the Bonds to the Purchaser pursuant to a sale order, subject to the parameters set forth in this resolution.
- 8. Adjustment of Bond Terms; Bond Parameters. Each Authorized Officer is hereby authorized to adjust the final Bond details to the extent necessary or convenient to complete the transaction authorized in this Resolution, and in pursuance of the foregoing are each authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, designation of series, and other matters, all subject to the parameters established in this Resolution; *provided* that the principal amount of Bonds issued shall not exceed the principal amount authorized in this resolution, the interest rate on the Bonds shall not exceed five percent per annum (5.00%), the Bonds shall be sold at a price not less than 100% of their par value, and the refunding of the Bonds To Be Refunded shall result in present value savings to the City.
- 9. <u>Tax Covenant; Qualified Tax Exempt Obligation.</u> The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds. The City hereby designates the Bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to Section 265(b)(3) of the Code.
- 10. <u>Bond Counsel</u>. Miller, Canfield, Paddock and Stone, P.L.C. is hereby appointed to serve as bond counsel for the Bond, notwithstanding the periodic representation in unrelated matters of parties or potential parties to the transaction contemplated by this resolution, including the purchaser of the Bond.
- 11. <u>Placement Agent</u>. The City hereby appoints Robert W. Baird & Co. Incorporated, as placement agent, with respect to the Bonds.
- 12. <u>Authorization of Other Actions</u>. The Authorized Officers are each authorized and directed to do all other acts, take all other necessary procedures, and make such filings with any parties, including the Michigan Department of Treasury, necessary or desirable to effectuate the sale, issuance and delivery of the Bonds.
- 13. <u>Rescission</u>. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES:	Members	Lytle, Freeman Jr.,	LaBine, Rickard, Warstler, Haeussler
NAYS:	Members		
RESOLUT	TION DECLARI	ED ADOPTED.	Linda Kalinec City Clerk/Treasurer

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Hancock, County of Houghton, State of Michigan, at a regular meeting held on October 6, 2021, 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, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Linda Kalinec
City Clerk/Treasurer

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