

A special meeting of the Council for the City of Crystal Falls was held in the City Manager's office of the City Hall on Thursday, November 13, 2014 at 5:00 pm.

Roll Call: Mayor Sommers, Councilors Sherby, Schiavo, and Hagglund.

Absent: None

Also Present: City Manager Olson, Clerk/Treasurer Peltoma, City Attorney Geoffrey Lawrence

Mayor Sommers led the reciting of the Pledge of Allegiance.

The purpose of this meeting is to discuss/take action on the refinancing of the 1998 Sewage Disposal System Revenue Bonds.

Steven D. Mann representing Miller Canfield via phone explained and answered questions from the Council members.

Councilor Sherby supported by Councilor Hagglund moved to approve the following:

NOTICE OF INTENT RESOLUTION REGARDING REFUNDING OF 1998 SEWAGE DISPOSAL SYSTEM REVENUE BONDS

WHEREAS, the City of Crystal Falls, County of Iron, State of Michigan (the "City"), has previously financed the acquisition and construction of various sewage disposal system improvements through the issuance of its 1998 Sewage Disposal System Revenue Bonds (the "Prior Bonds") payable solely and only from and secured by the revenues of the sewage disposal system of the City; and

WHEREAS, the City may be able to accomplish a net savings of debt service costs by refunding the Prior Bonds through the issuance of bonds secured by the general funds of the City (the "Refunding"); and

WHEREAS, the City desires to issue refunding bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), in an aggregate principal amount of not to exceed Three Million Two Hundred Thousand Dollars (\$3,200,000) for the purpose of paying all or part of the cost of the Refunding; and

WHEREAS, a notice of intent to issue bonds must be published before the issuance of the bonds in order to comply with the requirements of Act 34.

NOW, THEREFORE, BE IT RESOLVED THAT:

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

[NOTE: NOTICE TO BE PUBLISHED AS 1/4 PAGE DISPLAY ADVERTISEMENT]

**NOTICE TO TAXPAYERS AND ELECTORS
OF THE CITY OF CRYSTAL FALLS, MICHIGAN
OF INTENT TO ISSUE BONDS
AND THE RIGHT OF REFERENDUM RELATING THERETO**

PLEASE TAKE NOTICE that the City of Crystal Falls, County of Iron, State of Michigan (the "City"), intends to issue and sell its refunding bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended, in an aggregate principal amount of not to exceed Three Million Two Hundred Thousand Dollars (\$3,200,000). The bonds are being issued for the purpose of paying all or part of the cost of refunding the City's outstanding 1998 Sewage Disposal System Revenue Bonds which were previously issued to finance the cost of acquiring and constructing sewage disposal system improvements. The bonds will be issued to refund the revenue bonds only if the City is able to realize debt service savings.

SOURCE OF PAYMENT OF BONDS

The principal of and interest on said bonds shall be payable from and secured by the general funds of the City lawfully available for such purposes including property taxes levied within applicable constitutional, statutory and charter tax rate limitations. However, it is the intent of the City to pay the principal of and interest on the bonds from revenues derived from the operation of the City's sewage disposal system.

BOND DETAILS

SAID BONDS will be issued in one or more series, payable in annual installments not to exceed twenty-five (25) in number, and will bear interest at the rate or rates to be determined at public or private sale but in no event to exceed the maximum rate permitted by law on the unpaid balance from time to time remaining outstanding on said bonds.

RIGHT OF REFERENDUM

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

THIS NOTICE is given pursuant to the requirements of Section 517 of Act 34, Public Acts of Michigan, 2001, as amended.

City Clerk

3. The City Council of the City hereby determines that the foregoing form of Notice of Intent to Issue Bonds and the manner of publication directed is the method best calculated to give notice to the City's electors and taxpayers residing in the boundaries of the City of the City's intent to issue the bonds, the maximum amount of the bonds, the purpose of the bonds, the source of payment for the bonds and the right of referendum relating thereto, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.

4. The representation of the City by Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield"), as bond counsel is hereby approved, notwithstanding the periodic representation by Miller Canfield of Robert W. Baird & Co. Incorporated, and other potential parties, in unrelated matters.

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

Ayes: Mayor Sommers, Councilors Sherby, Schiavo, and Hagglund

Nays: None

Motion carried.

Councilor Sherby seconded by Councilor Hagglund moved to adjourn this special meeting.

Meeting adjourned at 5:56 p.m.

PRESIDING OFFICER _____

PRESIDING CLERK _____