

REGULAR COUNCIL PROCEEDINGS

CITY OF FLAT ROCK, MICHIGAN
25500 GIBRALTAR ROAD
FLAT ROCK, MI 48134

MONDAY MARCH 6, 2023

The regular meeting of the Flat Rock City Council convened at the Municipal Building, 25500 Gibraltar Road, Flat Rock, Michigan 48134, on the above date at 7:30 pm.

1. **PLEDGE OF ALLEGIANCE:**
2. **ROLL CALL OF COUNCIL MEMBERS:**

PRESENT ELECTED OFFICIALS:

PRESENT: Mayor: Hammond
Council Members: Bergeron, Dishaw, Martin, Tefend, Wrobel

ABSENT: Council: Beller

Resolution 03-06-23-01

Motion by Wrobel
Supported by Martin

RESOLVED, to excuse Council Member Beller for the regular council meeting on March 6, 2023.

Motion carried unanimously 6-0

ALSO, PRESENT: City Attorney Matthew Zick, City Clerk Shane Harrison, Police Chief Jerry Page, City Administrator/Treasurer Joanne Beard, Economic Development Director Liz Hendley, Interim Department of Public Services Director Eric Holtz, and Parks & Recreation Director Patrick Hawkins.

3. **APPROVAL OF MINUTES:**

Item 3-A Regular Meeting Minutes of February 21, 2023

Resolution 03-06-23-02

Motion by Martin
Supported by Wrobel

RESOLVED, to approve the Regular City Council Meeting Minutes of February 21, 2023 with a correction to meeting adjournment to 8:45pm.

Motion carried unanimously 6-0

4. **CITIZENS TO BE HEARD: QUESTIONS OR INPUT ON AGENDA ITEMS:**

5. **REPORTS FROM DEPARTMENT HEADS:**

Patrick Hawkins, Parks & Recreation Director

- Riverfest Meeting, Wednesday March 8, 2023 at 6pm at the Community Center.
- Senior Olympics will be held in Flat Rock facilities this year and hosted by Brownstown Twp.

Joanne Beard, City Administrator/Treasurer

- Assessment Notices were mailed out.
- March Board of Review dates are set.
- Contact Assessors Office for questions regarding Assessment Notices or scheduling an appointment for March Board of Review.

Eric Holtz, Interim Department of Public Works Director

- Update on limb chipping schedule due to last week's ice storm.
- Reminded Will Carleton Rd. residents to bring notarized easement letters to City Hall.

Matthew Zick, City Attorney

- Police Patrol & Command Contract Negotiations will be beginning shortly and requested any Council Members interested in being a part of the negotiation team to reach out.

6. **REPORTS FROM COUNCIL MEMBERS:**

Council Members provided the following updates:

Councilman John Bergeron

- Great job to DPS on limb clean-up.

Councilman Jim Martin

- Requested the Ordinance Officer to view a property on Cooke St. regarding an open basement and rubble.

Councilman Ken Wrobel

- Thanked DPS for their hard work on limb pick up and chipping.

7. **MAYOR COMMENTS:**

Mayor Mark Hammond provided updates of the following:

- Good Job DPS on their response to the ice storm.
- Thanked Police & Fire Departments for their support during the ice storm.

8. **AWARDS/PRESENTATIONS:**

Item 8-A 2022 Diane L. Parker Community Champion

Downtown Development Authority Chairperson Joe Pagano and Member Diane Parker awarded William "Bill" Barker with the 2022 Diane L. Parker Community Champion Award.

9. UNFINISHED BUSINESS:

Item 9-A Discussion – Rapid Response Contract

Resolution 03-06-23-03

Motion by Tefend
Supported by Dishaw

RESOLVED, to untable item 9-A, Discussion – Rapid Response Contract.

Motion carried unanimously 6-0

Resolution 03-06-23-04

Motion by Tefend
Supported by Dishaw

****Discussion: Mayor Hammond, Councilmembers Dishaw, Tefend & Bergeron****

RESOLVED, to supply Rapid Response with a 90-day contract termination notice, along with notice to return the leased ambulances to the City of Flat Rock.

Roll Call Vote

Yes Approve: Bergeron
Dishaw
Tefend*
Wrobel

No Against: Hammond
Martin

Motion carried 4-2

10. NEW BUSINESS:

Item 10-A Request to Approve – Wayne County Park Millage for Community Center Improvements

Resolution 03-06-23-05

Motion by Martin
Supported by Hammond

RESOLVED, to accept the Intra-Governmental Agreement with Wayne County for improvements to Community Park in the amount total of \$19,039.00.

****Discussion: Councilman Bergeron, Dishaw, Tefend, City Attorney Matt Zick and Parks & Recreation Director Pat Hawkins****

Motion carried unanimously 6-0

Item 10-B Mayoral Appointment – Building & Safety Director

Resolution 03-06-23-06

Motion by Dishaw
Supported by Tefend

RESOLVED, to approve the Mayor's recommendation of hiring Keith Woodcock as the Building and Safety Director with a salary not to exceed \$68,000.00 with no mileage/vehicle stipend reimbursement.

Discussion: Mayor Hammond, Councilmembers Dishaw, Tefend, & Bergeron

Motion carried 5-1 **Hammond voted no**

Item 10-C Insurance Policy Renewal with The David Chapman Agency

Resolution 03-06-23-07

Motion by Dishaw
Supported by Martin

RESOLVED, to approve the liability insurance renewal policy including Cyber Liability insurance and payment of \$301,299.00 to The David Chapman Agency.

Motion carried unanimously 6-0

Item 10-D Dangerous Building Hearing – 27965 Cahill

Resolution 03-06-23-08

Motion by Hammond
Supported by Dishaw

RESOLVED, to adopt the Dangerous Building Hearing Officer recommendation as presented.

Motion carried unanimously 6-0

Item 10-E Dangerous Building Hearing – 26139 Gibraltar

Resolution 03-06-23-09

Motion by Dishaw
Supported by Hammond

RESOLVED, to table item 10-E Dangerous Building Hearing – 26139 Gibraltar.

Discussion: the legal counsel of the property owner, Mr. Forrester, City Attorney Matt Zick, and Councilmembers Dishaw & Wrobel

Motion carried unanimously 6-0

Item 10-F Resolution to Approve – 2023 Capital Improvement Bond

Resolution 03-06-23-10

Motion by Wrobel
Supported by Tefend

RESOLVED, to authorize issuance of the 2023 Capital Improvement Bond as follows:

WHEREAS, the City of Flat Rock, County of Wayne, State of Michigan (the “City”) does hereby determine that it is necessary to pay all or part of the cost of acquiring and constructing improvements to the City’s water supply and sewage disposal systems, including replacing lines, together with all related appurtenances and attachments thereto (the “Projects”); and

WHEREAS, to finance the cost of the Project, the City Council deems it necessary to borrow the principal amount of not to exceed Six Million Dollars (\$6,000,000) and issue capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”) to pay the cost of the Project; and

WHEREAS, a notice of intent for bonds was published in accordance with Act 34 which provides that the capital improvement bonds may be issued without a vote of the electors of the City unless a proper petition for an election on the question of the issuance of the bonds is filed with the City Clerk within a period of forty-five (45) days from the date of publication and no petition was filed with the Clerk within the 45-day period.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the City designated **2023**

CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) (the

“Bonds”), are hereby authorized to be issued in the aggregate principal sum of not to exceed Six Million Dollars (\$6,000,000) for the purpose of paying all or part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Bonds. The issue shall consist of bonds in fully-registered form of the denomination of \$5,000, or any integral multiple thereof not exceeding for each maturity the maximum principal amount of that maturity,

WHEREAS, the City of Flat Rock, County of Wayne, State of Michigan (the “City”) does hereby determine that it is necessary to pay all or part of the cost of acquiring and constructing improvements to the City’s water supply and sewage disposal systems, including replacing lines, together with all related appurtenances and attachments thereto (the “Projects”); and

WHEREAS, to finance the cost of the Project, the City Council deems it necessary to borrow the principal amount of not to exceed Six Million Dollars (\$6,000,000) and issue capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”) to pay the cost of the Project; and

WHEREAS, a notice of intent for bonds was published in accordance with Act 34 which provides that the capital improvement bonds may be issued without a vote of the electors of the City unless a proper petition for an election on the question of the issuance of the bonds is filed with the City Clerk within a period of forty-five (45) days from the date of publication and no petition was filed with the Clerk within the 45-day period.

NOW, THEREFORE, BE IT RESOLVED THAT:

2. Authorization of Bonds; Bond Terms. Bonds of the City designated **2023**

CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) (the

“Bonds”), are hereby authorized to be issued in the aggregate principal sum of not to exceed Six Million Dollars (\$6,000,000) for the purpose of paying all or part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Bonds. The issue shall consist of bonds in fully-registered form of the denomination of \$5,000, or any integral multiple thereof not exceeding for each maturity the maximum principal amount of that maturity,

numbered consecutively in order of registration, dated as of the date of delivery, or such other date as determined by the Mayor, Treasurer or City Clerk (each an "Authorized Officer" and together, the "Authorized Officers"), at the time of sale of the Bonds. The Bonds shall bear interest, mature and be payable at the times and in the manner set forth in Sections 6 and 7 hereof and as shall be finally determined by an Authorized Officer at the time of sale of the Bonds.

The Bonds shall be sold at public sale at a price not less than 99.00% of the principal amount thereof.

The Bonds shall be subject to redemption prior to maturity in the manner and at the times and prices set forth in Sections 6 and 7 hereof and if term bonds are selected by the original purchaser of the Bonds, then the Bonds will be subject to mandatory redemption in accordance with the foregoing referenced maturity schedule at par.

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. The principal of the Bonds shall be payable at The Huntington National Bank, Grand Rapids, Michigan, who is hereby selected to act as transfer agent for the Bonds (the "Transfer Agent"), or such other bank or trust company selected by an Authorized Officer prior to the publication of the notice of sale for the Bonds as the transfer agent for the Bonds.

The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York ("DTC") and each Authorized Officer is authorized to execute such custodial or other agreements 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. Execution of Bonds. The Bonds of this issue shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk and shall have the seal of the City, or a facsimile thereof, printed or impressed on the Bonds. No Bond executed by facsimile signature shall be valid until authenticated by an authorized officer or 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 an Authorized Officer upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted.

4. Transfer of Bonds. 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.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City. 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 place where the Bonds called for redemption are to be surrendered for payment; and that interest on the 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.

5. Limited Tax Pledge; Debt Retirement Fund; Defeasance of Bonds. The City hereby pledges its limited tax full faith and credit for the prompt payment of 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 depository account with a bank or trust company designated by the City Council, to be designated **2023 CAPITAL IMPROVEMENT 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 they mature.

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 Bonds as provided herein.

6. Construction Fund; Proceeds of Bond Sale. The Treasurer is authorized and directed to open a separate depository account with a bank or trust company designated by the City Council, to be designated **2023 CAPITAL IMPROVEMENT BONDS CONSTRUCTION FUND** (the "Construction Fund"), and deposit into said Construction Fund the proceeds of the Bonds less accrued interest, if any, which shall be deposited into the Debt Retirement Fund. The amounts specified by an Authorized Officer at the time of sale of the Bonds from the net proceeds of sale of the Bonds shall be deposited to the appropriate account in the Construction Fund to be used to pay for the Project and the costs of issuance of the Bonds. Except for investment pending disbursement and as herein provided, the moneys in each account

in the Construction Fund shall be used solely to pay the costs of the Project, the costs of issuance of the Bonds, as such costs become due and payable 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 "Code").

7. Bond Form. The Bonds shall be in substantially the following form:

FORM OF BONDS

UNITED STATES OF
AMERICA STATE OF
MICHIGAN COUNTY OF
WAYNE

CITY OF FLAT ROCK

2023 CAPITAL IMPROVEMENT
BOND (LIMITED TAX GENERAL
OBLIGATION)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSI</u>
_____	October 1, 20	P _____, 2023	
<p>% Registered</p> <p>Owner: _____ Dollars</p> <p>Principal Amount:</p>			

The City of Flat Rock, County of Wayne, State of Michigan (the "Issuer"), 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, 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 October 1, 2023 and semiannually thereafter. Principal of this bond is payable at the corporate trust office of The Huntington National Bank, Grand Rapids, Michigan, or such other transfer agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the interest payment date as shown on the registration books of the Issuer kept by the Transfer Agent by check or draft mailed to the registered owner of record at the registered address. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the Issuer are hereby irrevocably pledged.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of

\$_____, issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”), and a resolution duly adopted by the City Council of the City for the purpose of paying the cost of acquiring and constructing improvements to the City’s water supply and sewage disposal systems. This bond, including the interest hereon, 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.

Bonds of this issue maturing in the years 2024 through 2031, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds of this issue in multiples of \$5,000 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 October 1, 2031, at par and accrued interest to the date fixed for redemption.

[Insert term bond redemption provisions, if necessary.]

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 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, whether or not presented for redemption, provided funds are on hand with the Transfer Agent to redeem said bond or portion thereof.

This bond is transferable only upon the registration books of the Issuer 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.

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 Issuer, 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 Issuer, by its City Council, has caused this bond to be signed in its name with the facsimile signatures of its Mayor and its City Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF FLAT ROCK

County of Wayne
State of Michigan

(SEAL
)

By _____
Its Mayor

By _____
Its City Clerk

(Form of Transfer Agent's Certificate of

Authentication) DATE OF AUTHENTICATION: _____

CERTIFICATE OF AUTHENTICATION

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

The Huntington National
Bank Grand Rapids,
Michigan Transfer Agent

By _____
Its Authorized Signatory

[End of Bond Form]

8. Notice of Sale. Each Authorized Officer is authorized to fix a date of sale for the Bonds and to publish a notice of sale of the Bonds in *The Bond Buyer*, New York, New York, which notice of sale shall be in substantially the following form:

FORM OF OFFICIAL NOTICE OF SALE

OFFICIAL NOTICE OF SALE

\$ _____ *

CITY OF FLAT ROCK
COUNTY OF WAYNE, STATE OF MICHIGAN 2023
CAPITAL IMPROVEMENT BONDS (LIMITED TAX
GENERAL OBLIGATION)

**Subject to adjustment as set forth in this Notice of Sale*

Bids for the purchase of the above bonds will be received in the manner described in this Official Notice of Sale on _____, 2023 until _:_ .m., prevailing Eastern Time, at which time said bids will be read. The award or rejection of bids will occur on that same day.

ELECTRONIC BIDS: Bidders may submit bids for the purchase of the above bonds as follows:

Electronic bids may be submitted to the office of Bendzinski & Co. Municipal Finance Advisors at email (info@bendzinski.com), provided that bids must arrive before the time of bid opening, and the bidder bears all risks of transmission failure.

Electronic bids will also be received on the same date and until the same time by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or CLIENT SERVICES, 1359 Broadway, Second Floor, New York, New York 10010, (212) 849-5021. IF ANY PROVISION OF THIS NOTICE OF SALE SHALL CONFLICT WITH INFORMATION PROVIDED BY BIDCOMP/PARITY, AS THE APPROVED PROVIDER OF ELECTRONIC BIDDING SERVICES, THIS NOTICE SHALL CONTROL.

Bidders may choose either of the foregoing means to present bids but a bidder may not present a bid by more than one of such means. The City will award or reject bids on the date of the bid opening.

BOND DETAILS: The bonds will be registered bonds of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, originally dated as of the date of delivery, numbered in order of registration, and will bear interest from their date payable on October 1, 2023 and semiannually thereafter.

The bonds will mature on the 1st day of October in each of the years as follows:

<u>October 1</u>	<u>Amount</u>	<u>October 1</u>	<u>Amount</u>
2024	\$200,000	2034	\$300,000
2025	210,000	2035	310,000
2026	220,000	2036	325,000
2027	225,000	2037	335,000
2028	235,000	2038	350,000
2029	245,000	2039	365,000
2030	255,000	2040	375,000
2031	265,000	2041	390,000
2032	275,000	2042	410,000
2033	285,000	2043	425,000

*ADJUSTMENT OF TOTAL PAR AMOUNT OF BONDS AND PRINCIPAL MATURITIES: The City reserves the right to adjust the aggregate principal amount of the bonds after receipt of the bids and prior to final award, if necessary, so that the purchase price of the bonds will provide an amount determined by the City to be sufficient to construct the project and to pay costs of issuance of the bonds. The adjustments, if necessary, will be in increments of \$5,000. The purchase price will be adjusted proportionately to the increase or decrease in issue size, but the interest rates specified by the successful bidder for all maturities will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

*ADJUSTMENT TO PURCHASE PRICE: Should any adjustment to the aggregate principal amount of the bonds be made by the City, the purchase price of the bonds will be adjusted by the City proportionally to the adjustment in principal amount of the bonds. The adjusted purchase price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but will not change the per-bond underwriter's discount as calculated from the bid and initial reoffering prices.

PRIOR REDEMPTION OF BONDS: Bonds maturing in the years 2024 to 2031, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in

multiples of \$5,000 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 October 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, whether or not presented for redemption, provided funds are on hand with the transfer agent to redeem said bond or portion thereof.

TERM BOND OPTION: Bidders shall have the option of designating the bonds as serial bonds, or term bonds, or both. The bid must designate whether each of the principal amounts shown above for the years 2024 through 2043, inclusive, represent a serial maturity or a mandatory redemption requirement for a term bond maturity. In any event, the above principal amount schedule for the years 2024 through 2043, inclusive, shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both. Any such designation must be made at the time bids are submitted.

INTEREST RATE AND BIDDING DETAILS: The bonds shall bear interest at a rate or rates not exceeding 6.00% per annum, to be fixed by the bids therefor, expressed in any multiples. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. No proposal for the purchase of less than all of the bonds or at a price less than 99.00% of their par value will be considered. The difference between the highest and lowest interest rate on the bonds shall not exceed 2.00% per annum.

BOOK-ENTRY ONLY: Unless otherwise requested by the purchaser, the bonds will be issued in book-entry-only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the bonds. Purchase of the bonds will be made in book-entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in bonds purchased. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the bonds.

TRANSFER AGENT AND REGISTRATION: Principal shall be payable at the principal corporate trust office of The Huntington National Bank, Grand Rapids, Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner of record not less than 60 days prior to an interest payment date. Interest shall be paid by check or draft mailed to the registered owner of record as shown on the registration books kept by the transfer agent as of the 15th day of the month prior to an interest payment date. The

bonds will be transferred only upon the registration books of the City kept by the transfer agent.

PURPOSE AND SECURITY: The bonds are being issued for the purpose of paying the cost of acquiring and constructing improvements to the City's water supply and sewage disposal systems. The bonds will be a first budget obligation of the City, payable from the general funds of the City including the collection of ad valorem taxes on all taxable property in the City subject to applicable constitutional, statutory and charter tax rate limitations. The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including those relating to equitable subordination.

AWARD OF BONDS-TRUE INTEREST COST: The bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on October 1, 2023 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to the date of closing, in an amount equal to the price bid, excluding accrued interest. Each bidder shall state in its bid the true interest cost to the City, computed in the manner specified above.

TAX MATTERS: In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., bond counsel, under existing law, assuming compliance with certain covenants, interest on the bonds is excludable from gross income for federal income tax purposes as described in the opinion, and the bonds and interest thereon are exempt from all taxation by the State of Michigan or any taxing authority within the State of Michigan except estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

"QUALIFIED TAX EXEMPT OBLIGATIONS": The bonds have been designated as "qualified tax-exempt obligations" for purposes of the deduction of interest expense by financial institutions pursuant to the Code.

ISSUE PRICE: The winning bidder shall assist the City in establishing the issue price of the bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached either as Appendix _or Appendix _of the preliminary official statement, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the bonds) will apply to the initial sale of the bonds (the "Competitive Sale Requirements") because:

- a. the City is disseminating this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- b. all bidders shall have an equal opportunity to bid;

- c. the City anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- d. the City anticipates awarding the sale of the bonds to the bidder who submits a firm offer to purchase the bonds at the lowest true interest cost, as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the bonds, as specified in the bid.

In the event that all of the Competitive Sale Requirements are not satisfied, the City shall so advise the winning bidder. The City will not require bidders to comply with the “hold-the-offering price rule,” and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the bonds as the issue price of that maturity, though the winning bidder, in consultation with the City, may elect to apply the “hold-the-offering price rule” (as described below). Bids will not be subject to cancellation in the event the Competitive Sale Requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering price rule” (as described below), bidders should prepare their bids on the assumption that all of the maturities of the bonds will be subject to the 10% Test (as described below). The winning bidder must notify the City of its intention to apply either the “hold-the-offering price rule” or the 10% Test at or prior to the time the bonds are awarded.

If the winning bidder does not request that the “hold-the-offering price rule” apply to determine the issue price of the bonds, the following two paragraphs shall apply:

- a. The City shall treat the first price at which 10% of a maturity of the bonds (the “10% Test”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the bonds satisfies the 10% Test as of the date and time of the award of the bonds; and
- b. Until the 10% Test has been satisfied as to each maturity of the bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all bonds of that maturity have been sold or (ii) the 10% Test has been satisfied as to the bonds of that maturity, provided that, the winning bidder’s reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

If the winning bidder does request that the “hold-the-offering price rule” apply to determine the issue price of the bonds, then the following three paragraphs shall apply:

- a. The winning bidder, in consultation with the City, may determine to treat (i) pursuant to the 10% Test, the first price at which 10% of a maturity of the bonds is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the bonds as the

issue price of that maturity (the “hold-the-offering price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the bonds satisfies the 10% Test as of the date and time of the award of the bonds. The winning bidder shall promptly advise the City, at or before the time of award of the bonds, which maturities of the bonds shall be subject to the 10% Test or shall be subject to the hold-the-offering price rule or both.

- b. By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the bonds to the public on or before the date of the award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder, and (ii) if the hold-the-offering-price rule applies, agree, on behalf of the underwriters participating in the purchase of the bonds, that the underwriters will neither offer nor sell unsold bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:
 - i. the close of the fifth (5th) business day after the sale date; or
 - ii. the date on which the underwriters have sold at least 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public;

The winning bidder shall promptly advise the City when the underwriters have sold 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

- c. The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, as set forth in the third-party distribution agreement. The winning bidder shall promptly advise the City if any maturity of the bonds satisfies the 10% Test as of the date and time of the award of the bonds. The winning bidder shall promptly advise the City, at or before the time of award of the bonds, which maturities of the bonds shall be subject to the 10% Test or shall be subject to the hold-the-offering price rule or both.

- d. By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the bonds to the public on or before the date of the award at the

party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the bonds.

By submitting a bid, each bidder confirms that:

- a. any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A)(i) to report the prices at which it sells to the public the unsold bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% Test has been satisfied as to the bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.
- b. any agreement among underwriters or selling group agreement relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (i) report the prices at which it sells to the public the unsold bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% Test has been satisfied as to the bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter, and (ii)

comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

- c. sales of any bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale.

Further, for purposes of this Notice of Sale:

- a. “public” means any person other than an underwriter or a related party,
- b. “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the bonds to the public);
- c. a purchaser of any of the bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
- d. “sale date” means the date that the bonds are awarded by the City to the winning bidder.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, a copy of which opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C. for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to validity of the above bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials. In submitting a bid for the bonds, the bidder agrees to the representation of the City by Miller, Canfield, Paddock and Stone, P.L.C., as bond counsel.

DELIVERY OF BONDS: The City will furnish bonds ready for execution at its expense.

Bonds will be delivered without expense to the purchaser through DTC in New York, New York, or such other place to be agreed upon. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the bonds, will be delivered at the time of delivery of the bonds. If the bonds are not tendered for delivery by Noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned. Payment for the bonds shall be made in Federal Reserve Funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds. Application for CUSIP numbers will be made by Bendzinski & Co. Municipal Finance Advisors, financial advisors to the City. The CUSIP Service Bureau's charge for the assignment of CUSIP numbers shall be paid by the purchaser.

OFFICIAL STATEMENT: A preliminary Official Statement that the City deems to be final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, has been prepared and may be obtained from Bendzinski & Co. Municipal Finance Advisors, financial advisors to the City, at the address and telephone listed under REGISTERED MUNICIPAL ADVISOR below. Bendzinski & Co. Municipal Finance Advisors will provide the winning bidder with an electronic version of the final Official Statement within 7 business days from the date of sale to permit the purchaser to comply with Securities and Exchange Commission Rule 15c2-12. Copies of the Official Statement will be supplied by Bendzinski & Co. Municipal Finance Advisors, upon request and agreement by the purchaser to pay the cost of the copies. Requests for copies should be made to Bendzinski & Co. Municipal Finance Advisors within 24 hours of the time of sale.

BOND INSURANCE AT PURCHASER'S OPTION: If the bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the bonds. Any and all increased costs of issuance of the bonds resulting from such purchase of insurance shall be paid by the purchaser, except that if the City has requested and received a rating on the bonds from a rating agency, the City shall pay the fee for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE CITY.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the City has agreed to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, on or prior to the last day of the sixth month after the end of each fiscal year commencing with the fiscal year ending June 30, 2023, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement relating to the bonds, (ii) timely notice of the

occurrence of certain material events with respect to the bonds and (iii) timely notice of a failure by the City to provide the required annual financial information on or before the date specified in (i) above.

BIDDER CERTIFICATION – NOT “IRAN-LINKED BUSINESS”: By submitting a bid, the bidder shall be deemed to have certified that it is not an “Iran-Linked Business” as defined in Act 517 Michigan Public Acts of 2012, being MCL 129.311 et. seq.

REGISTERED MUNICIPAL ADVISORS: Bendzinski & Co. Municipal Finance Advisors, Grosse Pointe, MI (the “Municipal Advisor”) is a Registered Municipal Advisor in accordance with the rules of the Municipal Securities Rulemaking Board (“MSRB”). The Municipal Advisor has been retained by the City to provide certain financial advisory services relating to the planning, structuring and issuance of the bonds. The Municipal Advisor is not engaged in the business of underwriting, trading, marketing or the distribution of securities or any other negotiable instruments. The Municipal Advisor’s duties, responsibilities and fees arise solely as a Registered Municipal Advisor to the City and it has no secondary obligation or other responsibility. Further information relating to the bonds may be obtained from Bendzinski & Co. Municipal Finance Advisors, 17000 Kercheval Ave., Suite 230, Grosse Pointe, MI 48230. Telephone (313) 961-8222.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Shane Anne Harrison
City Clerk, City of Flat Rock

[End Notice of Sale Form]

9. Useful Life of Project. The estimated period of usefulness of the Project is hereby declared to be not less than twenty-five (25) years.

10. Award of Bonds; Sale Order. The Mayor and Treasurer are each authorized on behalf of the City to award the sale of the Bonds pursuant to a sale order to the bidder whose bid meets the requirements of law and which produces the lowest true interest cost to the City computed in accordance with the terms of the official notice of sale as published; *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 six percent (6.00%) per annum, and the purchase price shall not be less than 99.00% of the par amount of the Bonds.

11. Tax Covenant. 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 Code including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds. The Bonds are hereby designated as “qualified tax-exempt obligations” for purposes of deduction of interest expense by financial institutions pursuant to the Code.

12. Official Statement; Qualification for Insurance; Ratings. Each Authorized Officer is authorized and directed to cause the preparation and circulation of a preliminary and final Official Statement with respect to the Bonds; to procure qualification of the Bonds for a policy of municipal bond insurance if deemed appropriate by the City's Municipal Advisor; and to obtain ratings on the Bonds. Each Authorized Officer is further authorized to execute and deliver the final Official Statement relating to the Bonds on behalf of the City and to approve, execute and deliver any amendments and supplements to the Official Statement necessary to assure that the statements therein are, and as of the time the Bonds are delivered to the purchaser will be true, and that it does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

13. Continuing Disclosure. The City agrees to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, and any Authorized Officer is hereby authorized to execute such undertaking prior to delivery of the Bonds.

14. Adjustment of Bond Terms; Authorization of Other Actions. The Mayor and Treasurer are each 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. The Authorized Officers are each authorized and directed to take all other actions necessary or advisable, and to make such other filings with any parties, including the Michigan Department of Treasury, to effectuate the sale, issuance and delivery of the Bonds.

15. Bond Counsel. Miller, Canfield, Paddock and Stone, P.L.C. is hereby approved as bond counsel for the Bonds, notwithstanding periodic representation in unrelated matters of parties or potential parties to the transaction contemplated by this resolution.

16. Municipal Advisor. Bendzinski & Co. Municipal Finance Advisors is retained as the registered municipal advisor to the City in connection with the issuance of the Bonds.

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

Motion carried unanimously 6-0

Item 10-G Permission to Bid – Hydro-Excavating Services

Resolution 03-06-23-11

Motion by Hammond
Supported by Martin

RESOLVED, to approve going out to bid for Hydro-Excavating Services.

Motion carried unanimously 6-0

Item 10-H Discussion – Fire Department Hiring

Resolution 03-06-23-12

Motion by Tefend
Supported by Dishaw

RESOLVED, to approve the hiring of the top full-time firefighter/paramedic applicant as soon as possible.

Motion carried unanimously 6-0

11. LATE CORRESPONDENCE

12. CITIZENS TO BE HEARD: COMMENTS AND/OR REQUESTS:

Members of the audience addressed council regarding the following:

- City Wide Garage Sale is May 20th & 21st.
- Question regarding Fire and Building Departments
- Complaint regarding parked cars on Meadows near Tamarack in a “No Parking” location
- Business Expo to be hosted on May 18th from 12pm to 3pm, invitation to Mayor and Council

13. **ADJOURNMENT:**

Resolution 03-06-23-13

Motion by Wrobel
Supported by Bergeron

RESOLVED, to adjourn the regular City Council meeting of March 6, 2023, at 8:59pm.

Motion carried unanimously 6-0

MARK A. HAMMOND, MAYOR

SHANE ANNE HARRISON, CITY CLERK

Approved as presented at the March 20, 2023, Regular City Council Meeting