

**MINUTES OF THE
VIRTUAL REGULAR MEETING OF THE HIGHLAND PARK CITY COUNCIL**

MAY 18, 2020

Council convened at 7:07 p.m. with Council President Clyburn presiding.

Present: Council Pro Tem Patrick, *Councilmember Lewis, Councilmember Bates, Councilmember Armstrong and Council President Clyburn (5).

* Councilmember Lewis entered meeting at 7:10pm

Absent: (0).

A quorum being present, Council was declared in session.

APPROVAL OF AGENDA

Moved by Council Pro Tem Patrick
Supported by Councilmember Armstrong

To approve the agenda with the addition of a resolution from Finance to apply for Coronavirus grants. Yeas (5), Nays (0), Absent (0).

APPROVAL OF MINUTES

Moved by Council Pro Tem Patrick
Supported by Councilmember Armstrong

To approve the minutes of the Virtual Regular meeting held April 20, 2020. Yeas (5), Nays (0), Absent (0).

**MAYOR
05-04-20-5**

Moved by Council Pro Tem Patrick
Supported by Councilmember Lewis

To receive and review the proposed budget for the 2020/2021 fiscal year. Yeas (5), Nays (0),

Absent (0).

05/02/2020		GENERAL FUND BUDGET SUMMARY REPORT FOR CITY OF HIGHLAND PARK					
ACCOUNT CLASSIFICATION AND DEPARTMENT	DESCRIPTION	2018-19 ACTIVITY	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	2019-20 ACTIVITY THRU 04/30/20	2020-21 DEPARTMENT REQUESTED BUDGET	2020-21 FINANCE RECOMMENDED BUDGET
ESTIMATED REVENUES							
Dept 000							
PROP TAX	PROPERTY TAXES	2,898,420	2,862,000	2,862,000	2,340,513	2,625,000	2,625,000
INCOME TAX	INCOME TAX	3,128,868	3,900,000	3,900,000	2,039,733	3,100,000	3,100,000
STATE	STATE REVENUE	2,990,168	3,107,724	3,107,724	1,546,905	2,857,824	2,857,824
LIC	LICENSES AND PERMITS	167,924	72,500	447,500	124,948	447,500	447,500
OTHER	OTHER REVENUE	224,814	58,200	58,200	315,512	85,050	85,050
CHARGES	CHARGES FOR SERVICES	108,211	121,500	121,500	54,867	84,500	84,500
FINE/FOR	FINES AND FORFEITURES	1,041,315	1,100,000	1,100,000	366,380	790,000	790,000
GRNTS	OTHER GRANTS	75,000	60,000	60,000		60,000	60,000
INT	INTEREST	12,364	6,000	6,000	6,849	6,000	6,000
TRANS IN	TRANSFER IN	594,160	34,000	34,000		18,000	18,000
Totals for dept 000 -		11,241,244	11,321,924	11,696,924	6,795,707	10,073,874	10,073,874
TOTAL ESTIMATED REVENUES							
		11,241,244	11,321,924	11,696,924	6,795,707	10,073,874	10,073,874
APPROPRIATIONS							
101	CITY COUNCIL	99,067	108,950	108,950	73,156	115,480	113,480
136	DISTRICT COURT	670,499	744,425	744,425	486,852	728,404	735,191
171	CHIEF EXECUTIVE	300,707	195,800	195,800	131,944	191,300	191,300
172	CITY ADMINISTRATOR		117,150	117,150	99,738	133,150	133,150
180	RECORD RETENTION		50,000	50,000	1,413	10,000	10,000
201	POLICE DEPARTMENT	433,530	321,450	321,450	212,298	309,950	309,950
202	INFORMATION TECH & COMM	181,700	222,000	222,000	238,671	236,000	236,000
203	INCOME TAX	190,023	190,000	190,000	158,000	190,000	190,000
209	CITY ASSESSOR	124,446	144,200	144,200	100,133	154,800	154,800
210	LEGAL	528,219	952,730	952,730	306,246	1,027,730	677,730
212	LAWSUIT JUDGMENTS	414,927			2,500		
215	CITY CLERK	205,260	199,310	199,310	177,921	229,510	228,210
226	HUMAN RESOURCES	72,872	87,175	87,175	53,359	112,555	87,175
233	PURCHASING & CENTRAL SERVICES	4,493	85,930	85,930	60,464	98,500	98,500
253	CITY TREASURER	145,766	189,732	189,732	129,324	189,132	187,632
255	AUDIT AND SPECIAL REVIEWS	62,899	60,000	60,000	52,598	64,000	64,000
336	AUXILIARY FIRE	163,086	229,300	229,300	134,194	229,300	229,300
339	FIRE DEPARTMENT	1,279,966	1,298,809	1,298,809	1,068,416	1,312,809	1,243,769
340	POLICE CIVILIANS	31,938	30,464	30,464	26,180	104,500	104,500
343	POLICE DEPT - PT OFFICER	1,288,647	1,628,720	1,628,720	1,242,781	596,200	596,200
345	POLICE DEPARTMENT	930,869	889,960	889,960	671,044	1,768,080	1,769,580
346	CODE ENFORCEMENT	13,444	3,850	3,850	33,138	6,350	45,350
440	ENGINEERING AND INSPECTIONS	173,718	30,000	375,000	174,835	405,000	375,000
441	PUBLIC SERVICE ADMIN	79,364	4,815	4,815	105,296	4,815	112,410
442	YOUTH SUMMER PROGRAM	76,390	73,000	73,000	31,375	74,000	73,000
443	PUBLIC BUILDINGS & GROUNDS	1,729,954	567,100	567,100	489,529	538,164	
444	DPW MOTOR & EQUIPMENT	90,870	125,000	125,000	71,266	125,000	
445	UTILITIES - CITY BUILDINGS	466,773	281,600	281,600	266,844	281,600	
523	RUBBISH COLLECTION	315,505	362,500	362,500	292,669	362,500	
711	COMMUNITY DEVELOPMENT	487,967	515,287	515,287	586,499	529,787	
751	PARKS AND RECREATION	66,062	94,050	94,050	49,818	94,050	
790	MCGREGOR LIBRARY		25,000	25,000		25,000	
851	EMPLOYEE BENEFITS				(4)		
852	RETIREE HEALTHCARE	203,073	306,040	306,040	158,946	206,040	
855	WORKERS COMP EXPENSES	37,836	12,000	12,000	157,914	12,000	
860	PENSION CONTRIBUTIONS	260,000	260,000	260,000	260,000	260,000	
895	OTHER CHARGES & DEBT SVC	1,040,045	962,877	962,877	924,311	1,076,229	
901	CAPITAL PROJECTS					1,351,500	
965	TRANSFERS OUT						
TOTAL APPROPRIATIONS		12,169,915	11,369,224	11,714,224	9,029,668	13,153,435	
NET OF REVENUES APPROPRIATIONS - FUND 101		(928,671)	(47,300)	(17,300)	(2,233,961)	(3,079,561)	
BEGINNING FUND BALANCE		8,540,897	7,612,231	7,612,231	7,612,231	5,378,270	
ENDING FUND BALANCE		7,612,226	7,564,931	7,594,931	5,378,270	2,298,709	

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CITY ADMINISTRATOR
05-04-20-6a

The following resolution was submitted for approval.

RESOLUTION AUTHORIZING 2020 WATERWORKS SYSTEM LIMITED TAX GENERAL OBLIGATIONS BONDS

Moved by Council Pro Tem Patrick
Supported by Councilmember Lewis

WHEREAS, pursuant to the provisions of Part 43 of Act 451, Public Acts of Michigan, 1994, as amended ("Act 451"), when the Michigan Department of Environment , Great Lakes & Energy ("EGLE"), as successor to the Department of Environmental Quality, has ordered, or has issued a permit for, the installation, construction, alteration, improvement, or operation of a sewage system, solid waste facility, or waterworks system in a municipality, and the plans therefor have been prepared and approved by the state department or commission having the authority by law to grant the approval, the legislative body of the municipality may issue and sell the necessary bonds for the construction, installation, alteration, operation, or improvement thereof, including the treatment works and such other facilities as may be ordered or set forth in the permit as being necessary to provide for the effective operation of the system; and

WHEREAS, the City of Highland Park (the "City"), County of Wayne, State of Michigan (the "City"), pursuant to Administrative Consent Order #ACO-399-06-2017, dated July 28, 2017, as now in force or hereafter amended or extended (the " Order"), is required to make certain modifications to its waterworks system, which improvements are necessary in order for the City to meet its obligations under relevant federal and state law; and

WHEREAS, the City desires to comply with the Order and to make the improvements required thereby, including the improvements set forth in the Final Project Plan - Drinking Water Revolving Fund prepared by Metro Consulting Associates, LLC, dated April 26, 2019, as the same is supplemented and amended from time to time, and any permits authorizing such work (the "Project");and

WHEREAS, the Project qualifies for the State of Michigan Drinking Water Revolving Fund financing program administered by the Michigan Finance Authority (the "Authority") and the EGLE, whereby the bonds of the City are sold to the Authority and bear interest at a fixed rate of not to exceed two percent (2.00%) per annum; and

WHEREAS, the plans for the Project have been prepared and have been or shortly shall be approved by EGLE as required by Act 451; and

WHEREAS, in pursuance of the authority granted by Act 451, this City Council desires to issue and sell the necessary bonds to the MFA to pay all or part of the cost of the Project; and

WHEREAS, a notice of intent was published in accordance with Act 451 and Act 279, Public Acts of Michigan, 1909, as amended, which provides that the bonds described therein 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

days from the date of publication; and

WHEREAS, at least 45 days will have elapsed since the date of publication of the notice of intent without the filing of a petition for referendum on the question of the sale and issuance of the bonds described in the notice of intent prior to the issuance of the Bonds; and

WHEREAS, in connection with the sale of the Bonds to the Authority, the Authority is requiring that, in addition to a pledge of the City's limited tax, full faith, credit and resources, the Bonds be secured by a pledge, pursuant to the authority of Act 227, Public Acts of Michigan, 1985, as amended ("Act 227"), of the payments the City is eligible to receive from the State of Michigan under Act 140, Public Acts of Michigan, 1971, as amended, and other sources of revenues as defined in the Trust Indenture (as hereinafter defined) (collectively, "Distributable State Aid"); and

WHEREAS, the City previously entered into a certain Amended and Restated Debt Retirement Trust Agreement between the City and U.S. Bank National Association, as trustee (the "Trustee"), dated as of August 1, 2018 (the "Trust Indenture"), in connection with the City's pledge of Distributable State Aid as security for certain outstanding obligations of the City ("Outstanding DSA Obligations") pursuant to the provisions of Act 227; and

WHEREAS, in connection with the issuance and sale of the Bonds to the Authority and the pledge of Distributable State Aid as security therefor, the City is required to enter into a supplemental indenture (the "Supplemental Indenture") with the Trustee to authorize the issuance of the Bonds as additional bonds to be secured by Distributable State Aid under the Trust Indenture.

WHEREAS, it is the determination of the City Council that at this time limited tax general obligation bonds in the aggregate principal amount of not to exceed Six Million Dollars (\$6,000,000) should be issued to pay for the Project.

NOW, THEREFORE, BE IT RESOLVED THAT:

Subject to no proper petition being filed within the 45-day period, bonds of the City designated **2020 WATERWORKS SYSTEM LIMITED TAX GENERAL OBLIGATION BONDS** (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Six Million Dollars (\$6,000,000), as finally determined by orders of the EGLE, for the purpose of paying all or part of the cost of the Project, including capitalized

1. Subject to no proper petition being filed within the 45-day period, bonds of the City designated **2020 WATERWORKS SYSTEM LIMITED TAX GENERAL OBLIGATION BONDS** (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Six Million Dollars (\$6,000,000), as finally determined by orders of the EGLE, for the purpose of paying all or part of the cost of the Project, including capitalized interest and the costs incidental to the issuance, sale and delivery of the Bonds. The Bonds shall be in the form of a single fully-registered, nonconvertible bond in the denomination of the full principal amount thereof, dated as of the date of delivery of the Bonds, payable in principal installments in the years 2021 through 2050 or such other years as finally determined by the order of the EGLE at the time of sale of the Bonds and approved by the MFA and either the Mayor, the City Administrator, the City Clerk or the Finance Director of the City (each, an "Authorized Officer" and collectively, the "Authorized Officers"). Interest on the Bonds shall be payable on April 1 and October 1 of each year, commencing April 1, 2021, or on such other interest payment dates as determined by an

Authorized Officer at the time of the sale of the Bonds. Final determination of the Principal Amount and the payment dates and amounts of principal installments of the Bonds and interest thereon shall be evidenced by execution of a Purchase Contract (the "Purchase Contract") between the City and the MFA providing for sale of the Bonds, and any Authorized Officer is hereby authorized and directed to execute and deliver the Purchase Contract when in final form and to make the determinations set forth above.

The Bonds or principal installments thereof shall be subject to redemption prior to maturity at any time with the prior written consent of MFA on terms approved by MFA.

The Bonds shall bear interest at a rate of two percent (2.00%) per annum on the par value thereof or such other rate as evidenced by execution of the Purchase Contract, but in any event not to exceed the rate permitted by law, and an Authorized Officer shall deliver the Bonds in accordance with the delivery instructions of the MFA. The Bonds principal amount is expected to be drawn down by the City periodically, and interest on principal amount shall accrue from the date such principal amount is drawn down by the City. The Bonds are also subject to the payment of "additional interest" as described in the form of the Bonds included in Section 5 of this Resolution.

The Bonds shall not be convertible or exchangeable into more than one fully-registered bond. Principal of and interest on the Bonds shall be payable as provided in the Bonds form in this Resolution as the same may be amended to conform to MFA requirements.

An Authorized Officer shall record on the registration books payment by the City of each installment of principal or interest or both when made and the cancelled checks or other records evidencing such payments shall be returned to and retained by an Authorized Officer.

Upon payment by the City of all outstanding principal of and interest on the Bonds, the MFA shall deliver the Bonds to the City for cancellation.

The Mayor and the City Clerk are authorized to execute and deliver the Bonds in accordance with the delivery instructions of the MFA. 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. The Bonds bearing the manual or facsimile signatures of the Mayor and the City Clerk sold to the MFA shall require no further authentication.

2. The Trustee, acting as the bond registrar, transfer agent, and paying agent for the 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.

3. The Treasurer of the City is authorized to open a separate depository account with a bank or trust company designated by the City, to be designated 2020 WATERWORKS SYSTEM LIMITED TAX GENERAL OBLIGATION 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. All proceeds from taxes levied for the Debt Retirement Fund shall be deposited into the Debt Retirement Fund as collected. Commencing with the fiscal year beginning July 1, 2020, the City shall provide in its budget each year until the Bonds are paid, in the manner provided by the provisions of Act 451, an amount sufficient to promptly pay, when due, after taking into account other available funds of the City, the principal of and interest on the Bonds becoming due prior to the next annual tax levy. The limited tax full faith, credit and resources of the City are hereby pledged for the prompt payment of the principal of and interest on the Bonds as they become due, which pledge shall include the City's obligation to pay from its general funds as a first budget obligation said principal and interest and, if necessary, to levy ad valorem taxes on all taxable property in the City, within applicable constitutional and statutory tax rate limitations.

As additional security for repayment of the Bonds, the City hereby pledges the Distributable State Aid collected by the State of Michigan and returned to the City pursuant to Act 140, to the Authority as purchaser and holder of the Bonds, and the City hereby authorizes an Authorized Officer to approve, execute and deliver a Revenue Sharing Pledge Agreement (the "Revenue Sharing Pledge Agreement") between the City and the Authority, authorizing the State Treasurer to transmit the revenue sharing moneys assigned and pledged therein directly to the Authority, its designee or the Trustee in accordance with the Trust Indenture. In connection with the pledge of Distributable State Aid to secure payment of the Bonds, the City hereby authorizes an Authorized Officer to approve, execute and deliver the Supplemental Indenture to provide for the payment of Distributable State Aid on the Bonds.

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

4. The Treasurer is authorized to open a separate depository account with a bank or trust company designated by the City, to be designated 2020 WATERWORKS SYSTEM LIMITED TAX GENERAL OBLIGATION BONDS CONSTRUCTION FUND (the "Construction Fund") and deposit into said Construction Fund the proceeds of the Bonds. The moneys in the Construction Fund shall be used solely to pay the costs of the Project and the costs of issuance of the Bonds.

5. The Bonds shall be in substantially the following form, subject to such modifications which may be required by the Michigan Attorney General and the MFA and approved by bond counsel and with such changes as may be required to conform the Bonds to the final terms of the Bonds established by the Sale Order:

6. The estimated period of usefulness of the Project to be financed with the proceeds of the Bonds is hereby declared to be not less than thirty (30) years and its total cost is estimated to be not less than the amount set forth in Section 1 of this Resolution.

7. The City determines that it is in the best interest of the City to negotiate the sale of the Bonds to the Authority because the Drinking Water Revolving Fund financing program provides significant interest savings to the City compared to competitive sale in the municipal bond market. The Authorized Officers are hereby authorized to make application to the Authority and to the EGLE for placement of the Bonds with the Authority. The actions taken by the Authorized Officers with respect to the Bonds prior to the adoption of this Resolution are ratified and confirmed. The Authorized Officers are each authorized to execute and deliver the Purchase Contract, a Revenue Sharing Pledge Agreement, the Supplemental Agreement, the City's Certificate, a Distributable Aid Deposit Agreement and such other documents if required by the Authority. Any Authorized Officer is further authorized to execute and deliver such contracts, documents and certificates as are necessary or advisable to qualify the Bonds for the Drinking Water Revolving Fund. The Authorized Officers are each hereby authorized to negotiate with the Trustee and execute a Supplemental Indenture providing for the issuance of the Bonds. Prior to the delivery of the Bonds to the Authority, any Authorized Officer is hereby authorized to make such changes to the form of the Bonds contained in Section 9 of this Resolution as may be necessary to conform to the requirements of Act 227, including, but not limited to changes in the principal maturity and interest payment dates and references to additional security required by Act 227.

8. If the Bonds are issued on a tax-exempt basis, 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.

9. 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.

The Authorized Officers are each hereby authorized and directed to take all other actions necessary or advisable, and to make such other filings with and pay related fees to any parties, to enable the sale and delivery of the Bonds as contemplated herein, including filing an application with the Michigan Department of Treasury for an Order or Orders of Approval to issue all or a portion of the Bonds under Act 34, Public Acts of Michigan, 2001, as amended, and an application for exemption of the investment grade rating requirement.

10. The City hereby confirms the appointment of Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel for the Bonds, notwithstanding the periodic representation in unrelated matters of parties or potential parties to the transaction contemplated by this resolution. The legal fees of Miller, Canfield, Paddock and Stone, P.L.C. shall be paid from the proceeds of the sale of such Bonds or such other legally available funds of the City.

11. The City hereby confirms the appointment of Robert W. Baird & Co., to act as its Municipal Advisor with respect to the Bonds. The fees of the Municipal Advisor shall be paid from the proceeds of the sale of the Bonds or such other legally available funds of the City.

12. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded. Yeas (5), Nays (0), Absent (0).

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05-04-20-6b

The following resolution was submitted for approval.

**RESOLUTION AUTHORIZING 2020 CAPITAL IMPROVEMENT BONDS
(LIMITED TAX GENERAL OBLIGATIONS)**

Moved by Council Pro Tem Patrick
Supported by Councilmember Lewis

WHEREAS, the City does hereby determine that it is necessary to pay all or part of the costs of acquiring, constructing, installing, repairing and improving certain capital improvements in the City, including sinkholes, sanitary sewer conduits, sewer lining, and conducting a flow metering and CCTV study, together with all necessary interests in land, rights of way, appurtenances and attachments thereto (the "Project"); and

WHEREAS, the Project qualifies for the State of Michigan Clean Water Revolving Fund financing program administered by the Michigan Finance Authority (the "Authority") and the Michigan Department of Environment, Great Lakes & Energy ("EGLE"), whereby the bonds of the City are sold to the Authority and bear interest at a fixed rate of not to exceed two percent (2.00%) per annum; and

WHEREAS, the City Council deems it necessary to borrow the principal amount of not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) and issue capital improvement bonds (the "Bonds") pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), to finance the cost of the Project and to pay certain costs of issuance of the Bonds; 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 as of this date no petition has been filed with the Clerk; and

WHEREAS, in connection with the sale of the Bonds to the Authority, the Authority is requiring that, in addition to a pledge of the City's limited tax, full faith, credit and resources, the Bonds be secured by a pledge, pursuant to the authority of Act 227, Public Acts of Michigan, 1985, as amended ("Act 227"), of the payments the City is eligible to receive from the State of Michigan under Act 140, Public Acts of Michigan, 1971, as amended, and other sources of revenues as defined in the Trust Indenture (as hereinafter defined) (collectively, "Distributable State Aid"); and

WHEREAS, the City previously entered into a certain Amended and Restated Debt Retirement Trust Agreement between the City and U.S. Bank National Association, as trustee (the "Trustee"), dated as of August 1, 2018 (the "Trust Indenture"), in connection with the City's pledge of Distributable State Aid as security for certain outstanding obligations of the City ("Outstanding DSA Obligations") pursuant to the provisions of Act 227; and

WHEREAS, in connection with the issuance and sale of the Bonds to the Authority and the pledge of Distributable State Aid as security therefor, the City is required to enter into a supplemental indenture (the "Supplemental Indenture") with the Trustee to authorize the issuance of the Bonds as additional bonds to be secured by Distributable State Aid under the Trust Indenture.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds: Bond Terms. Subject to no proper petition being filed within the 45-day period, bonds of the City designated 2020 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) as finally determined by order of the EGLE for the purpose of paying part of the cost of the Project, including the capitalized interest and the costs incidental to the issuance, sale and delivery of the Bonds. The Bonds shall be in the form of a single fully-registered, nonconvertible bond of the denomination of the full principal amount thereof, dated as of the date of delivery, payable in principal installments in the years 2021 through 2050 or as finally determined by the order of the EGLE at the time of sale of the Bonds and approved by the Authority and by the Mayor, the City Administrator, the City Clerk or the Finance Director of the City (each an "Authorized Officer"). Interest on the Bonds shall be payable on April 1 and October 1 of each year, commencing October 1, 2020, or on such other interest payment dates as determined by an Authorized Officer at the time of the sale of the Bonds. Final determination of the principal amount of and interest on the Bonds and the payment dates and amounts of principal installments of the Bonds and interest thereon shall be evidenced by execution of the Bonds

and of a purchase contract between the Authority and the City (the "Purchase Contract") and each of the Authorized Officers is authorized and directed to execute and deliver the Purchase Contract when it is in final form and to make the determinations set forth above.

The Bonds or principal installments thereof shall be subject to redemption prior to maturity at any time with the prior written consent of Authority on terms approved by Authority.

The Bonds shall bear interest at an interest rate per annum on the par value thereof as evidenced by execution of the Purchase Contract, but in any event not to exceed two percent (2.00%) per annum, and any of the Authorized Officers as shall be appropriate shall deliver the Bonds in accordance with the delivery instructions of the Authority. The principal amount of the Bonds is expected to be drawn down by the City periodically, and interest on the principal amount drawn down shall accrue from the date such principal amount is drawn down by the City. The Bonds are also subject to the payment of "additional interest" as described in the form of the Bonds included in Section 6 of this Resolution.

The Bonds shall not be convertible or exchangeable into more than one fully-registered bond. Principal of and interest on the Bonds shall be payable as provided in the Bond form in Section 6 of this Resolution.

The Bonds or principal installments thereof shall be subject to prepayment at any time prior to maturity by the City with the prior approval of the Authority and on such terms as may be required by the Authority.

The City Treasurer shall record on the registration books payment by the City of each installment of principal or interest or both when made and the cancelled checks or other records evidencing such payments shall be returned to and retained by the City Treasurer.

Upon payment by the City of all outstanding principal of and interest on the Bonds, the Authority shall deliver the Bonds to the City for cancellation.

2. Execution of Bonds. The Mayor and the City Clerk are authorized to execute and deliver the Bonds in accordance with the delivery instructions of the Authority. 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. The Bonds bearing the manual or facsimile signatures of the Mayor and the City Clerk sold to the Authority shall require no further authentication.

3. Transfer Agent: Transfer of Bonds. The Trustee, acting as the bond registrar, transfer agent, and paying agent for the 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.

4. Security; 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 if debt service on the Bonds is not paid first from Distributable State Aid in accordance with the Trust Indenture, 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.

As additional security for repayment of the Bonds, the City hereby pledges the Distributable State Aid collected by the State of Michigan and returned to the City pursuant to Act 140, to the Authority as purchaser and holder of the Bonds, and the City hereby authorizes an Authorized Officer to approve, execute and deliver a Revenue Sharing Pledge Agreement (the "Revenue Sharing Pledge Agreement") between the City and the Authority, authorizing the State Treasurer to transmit the revenue sharing moneys assigned and pledged therein directly to the Authority, its designee or the Trustee in accordance with the Trust Indenture. In connection with the pledge of Distributable State Aid to secure payment of the Bonds, the City hereby authorizes an Authorized Officer to approve, execute and deliver the Supplemental Indenture to provide for the payment of Distributable State Aid on the Bonds.

The City hereby establishes and creates the 2020 Capital Improvement Bond Fund, a special, separate and segregated fund held by the Trustee under the Trust Indenture, for the benefit of the holders of the Bonds in accordance with the terms and conditions of the Trust Indenture. The City Treasurer is authorized and directed to establish and create such additional accounts and funds as are necessary to facilitate the payment of the Bonds under the Supplemental Indenture.

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.

5. Construction Fund; Proceeds of Bond Sale. The City Treasurer is authorized and directed to open a separate depository account with a bank or trust company designated by an Authorized Officer, to be designated 2020 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 moneys in the Construction Fund shall be used solely to pay the costs of the Project and the costs of issuance of the Bonds.

6. Bond Form. The Bonds shall be in substantially the following form, subject to such modifications which may be required by the Michigan Attorney General and the MFA and approved by bond counsel and with such changes as may be required to conform the Bonds to the final terms of the Bonds established by the Sale Order:

7. Useful Life of Project. The estimated period of usefulness of the Project is hereby declared to be not less than thirty (30) years.

8. Negotiated Sale; Application to EGLE and Authority; Execution of Documents. The City determines that it is in the best interest of the City to negotiate the sale of the Bonds to the Authority because the Clean Water Revolving Fund financing program provides significant interest savings to the City compared to competitive sale in the municipal bond market. The Authorized Officers are hereby authorized to make application to the Authority and to the EGLE for placement of the Bonds with the Authority. The actions taken by the Authorized Officers with respect to the Bonds prior to the adoption of this Resolution are ratified and confirmed. The Authorized Officers are each authorized to execute and deliver the Purchase Contract, a Revenue Sharing Pledge Agreement, the Supplemental Agreement, the City's Certificate, a Distributable Aid Deposit Agreement and such other documents if required by the Authority. Any Authorized Officer is further authorized to execute and deliver such contracts, documents and certificates as are necessary or advisable to qualify the Bonds for the Clean Water Revolving Fund. The Authorized Officers are each hereby authorized to negotiate with the Trustee and execute a supplemental Indenture providing for the issuance of the Bonds. Prior to the delivery of the Bonds to the Authority, any Authorized Officer is hereby authorized to make such changes to the form of the Bonds contained in Section 13 of this Resolution as may be necessary to conform to the requirements of Act 227, including, but not limited to changes in the principal maturity and interest payment dates and references to additional security required by Act 227.

9. Tax Covenant. If the Bonds are issued on a tax-exempt basis, 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.

10. Adjustment of Bond Terms; Authorization of Other Actions. 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.

The Authorized Officers are each hereby authorized and directed to take all other actions necessary or advisable, and to make such other filings with and pay related fees to any parties, to enable the sale and delivery of the Bonds as contemplated herein, including filing an application with the Michigan Department of Treasury for an Order or Orders of Approval to issue all or a portion of the Bonds under Act 34, Public Acts of Michigan, 2001, as amended, and an application for exemption of the investment grade rating requirement.

11. Bond Counsel. The City hereby confirms the appointment of Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel for the Bonds, notwithstanding the periodic representation in unrelated matters of parties or potential parties to the transaction contemplated by this resolution. The legal fees of Miller, Canfield, Paddock and Stone, P.L.C. shall be paid from the proceeds of the sale of such Bonds or such other legally available funds of the City.

12. Municipal Advisor. The City hereby confirms the appointment of Robert W. Baird & Co., to act as its Municipal Advisor with respect to the Bonds. The fees of the Municipal Advisor shall be paid from the proceeds of the sale of the Bonds or such other legally available funds of the City.

13. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded. Yeas (5), Nays (0), Absent (0).

ENGINEERING/WATER

05-04-20-7a

The following resolution was submitted for approval.

RESOLUTION AUTHORIZING TENTATIVE CONTRACT AWARDS TO INLAND WATERS POLLUTION CONTROL, INCORPORATED FOR THE 2020 2ND AVENUE SINKHOLE REPAIRS AND TO SOMAT ENGINEERING FOR FLOW METERING STUDY PROGRAM

Moved by Councilmember Armstrong
Supported by Councilmember Bates

WHEREAS, the Water Department intends to repair existing sinkholes on 2nd Avenue and conduct a flow metering study for the city's sewer system; and

WHEREAS, the Department of Environment, Great Lakes, and Energy (EGLE) has completed review of the program and approved the bidding documents as part of the State Revolving Fund (SRF); and

WHEREAS, on April 20, 2020, the City of Highland Park opened bids for the 2020 2nd Avenue Sinkhole Repairs, Sewer Lining and Rehabilitation and a Flow Metering Study, and Sewer CCTV and Cleaning; and

WHEREAS, the proposed project consisted of four separate sections, Part A, 2nd Avenue Sinkhole Repairs, and Part B, Sewer Lining and Rehabilitation, Part C, Flow Metering Study, and Part D, Sewer CCTV and Cleaning; and

WHEREAS, The Water Department has conducted interviews with each contractor for the purpose of clarifying bids opened on April 20, 2020 and utilized unit price submitted by bidders for purposes of revising or reducing the overall project scope by not awarding Part B and Part D of the overall project for FY21 to accommodate budgetary constraints identified by the Water Department; and

WHEREAS, The Water Department, in conjunction with the State of Michigan Department of Treasury and EGLE, will continue to identify additional funding sources to complete the any project scope removed from the 2020 2nd Avenue Sinkhole Repairs, Sewer Lining and Rehabilitation and a Flow Metering Study, and Sewer CCTV and Cleaning for FY21; and

WHEREAS, the Water Department reviewed the proposals for compliance with the Request for Proposal requirements, references, project experience, project requirements, schedule, and the ability to provide the requested services for the City of Highland Park; and

WHEREAS, the Water Department determined Inland Waters Pollution Control, Incorporated and Somat Engineering, were the most responsive bidder for the 2020 2nd Avenue Sinkhole Repairs, Sewer Lining and Rehabilitation, Flow Metering Study, and Sewer CCTV and Cleaning Project; and

BE IT RESOLVED, that the Highland Park City Council APPROVES the tentative contract award to Inland Waters Pollution Control, Part A, 2nd Avenue Sinkhole Repairs, for an amount not to exceed \$760,000.00, and Somat Engineering for Part C, Flow Metering Study, for an amount not to exceed \$300,000.00 pending funding procurement with the State of Michigan and final contractual discussions. Yeas (5), Nays (0), Absent (0).

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05-04-20-7b

The following resolution was submitted for approval.

RESOLUTION AUTHORIZING THE TENTATIVE CONTRACT AWARD TO LGC GLOBAL FOR THE 2020 WATER MAIN AND LEAD SERVICE LINE REPLACEMENT PROGRAM

Moved by Councilmember Lewis
Supported by Council Pro Tem Patrick

WHEREAS, the Water Department intends to conduct a water main and lead line replacement

program to begin rehabilitating the city's aging water distribution system infrastructure as required by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) Administrative Consent Order; and

WHEREAS, the EGLE has completed review of the program and approved the bidding documents as part of the Drinking Water Revolving Fund (DWRP); and

WHEREAS, on April 20, 2020, the City of Highland Park opened bids for the 2020 Water Main and Lead Service Line Replacement Program; and

WHEREAS, the Water Main and Lead Service Line Replacement Program consists of two separate sections, Part A, Water Main Replacement, and Part B, Lead Service Line Replacement; and

WHEREAS, The Water Department has conducted interviews with each contractor for the purpose of clarifying bids opened on April 20, 2020 and utilized unit price submitted by bidders for purposes of reducing the overall project scope for FY21 to accommodate budgetary constraints identified by the Water Department; and

WHEREAS, The Water Department, in conjunction with the State of Michigan Department of Treasury and EGLE, will continue to identify additional funding sources to complete the any project scope removed from the Water Main and Lead Service Line Replacement Program for FY21; and

WHEREAS, the Water Department reviewed the proposals for compliance with the Request for Proposal requirements, references, project experience, project requirements, schedule, and the ability to provide the requested services for the City of Highland Park; and

WHEREAS, the Water Department determined LGC Global was the most responsive bidder for the 2020 Water Main and Lead Service Line Replacement Program; and

BE IT RESOLVED, that the Highland Park City Council APPROVES the tentative contract award to LGC Global for Part A, Water Main Replacement, in an amount not to exceed \$3,240,000.00, and LGC Global for Part 8 , Lead Service Line Replacement for an amount not to exceed \$360,000.00. Should the recommended contractor be unable to meet all requirements set forth by the State of Michigan or the City of Highland Park, the tentative contact award recommendation shall be to Bricco Excavating for an amount not to exceed for Part A for a total of \$3,240,000.00 or for Part B for a total of \$360,000.00. Yeas (5), Nays (0), Absent (0).

FINANCE
05-05-20-8

The following resolution was submitted for approval.

RESOLUTION TO APPLY FOR CORONAVIRUS GRANTS

Moved by Council Pro Tem Patrick
Supported by Councilmember Bates

WHEREAS, on March 10, 2020, the Michigan Department of Health and Human Services identified the first two presumptive-positive cases of COVID-19 in the State of Michigan. Consequently, Governor Whitmer issued Executive Order 2020-4; and

WHEREAS, Executive Order 2020-4 declared a state of emergency across the State of Michigan under section 1 of article 5 of the Michigan Constitution of 1963, the Emergency Management Act, 1976 PA 390, as amended, MCL 30.401-.421, and the Emergency Powers of the Governor Act of 1945, 1945 PA 302, as amended, MCL 10.31-.33; and

WHEREAS, subsequently, acting under the Michigan Constitution of 1963 and Michigan law, Governor Whitmer issued Executive Order 2020-28 (EO 2020-28) for restoring water service to occupied residences during the COVID-19 pandemic; and

WHEREAS, the City of Highland Park Water Department has secured funding through the EGLE Water Restart Grant Program with a maximum reimbursement limit of \$5,000 per residential dwelling for a maximum reimbursement amount not to exceed \$476,250; and

WHEREAS, as part of the conditions of the Restart Grant Program, EGLE requires a 25% local matching from the City of Highland Park, EGLE agrees to reimburse the City of Highland Park on a monthly basis for 75% of the cost of eligible repairs and replacements for water restoration to residential dwellings; and

BE IT RESOLVED, the Highland Park City Council APPROVES the acceptance of the funding from the EGLE Restart Grant Program, agreement attached to this resolution, and will comply with its terms and the council will be updated monthly on any grant related to Covid-19. Yeas (5), Nays (0), Absent (0).

COUNCIL AFFAIRS
05-04-20-9a

The following resolution was submitted for approval.

**RESOLUTION REQUESTING THE CONTRACTUAL INFORMATION BETWEEN THE
CITY OF HIGHLAND PARK AND AJAX PAVING INDUSTRIES, INC.
THIS IS THE FINAL REQUEST**

Moved by Council Pro Tem Patrick
Supported by Councilmember Bates

WHEREAS, newly adopted (May 2019) Highland Park City Charter which was supported by Mayor Hubert Yopp clearly states in Chapter 13: Contracts; Section 13-1 Authority of City Council, that the Power to make contracts on behalf of the City is vested in the City Council. All contracts except

otherwise provided by the ordinance in accordance with the provisions of Section 13-2 hereof, shall be authorized by the City Council and shall be signed on behalf of the City by the Mayor and the Clerk, and

WHEREAS, the City Charter also clearly states in Chapter 13: Contracts; Section 13-3:d, that All bids, required by ordinance, for the purchase of personal property, and for contracts for improvements or services shall be opened in public in the City Council room by the Clerk at the time designated in the notice and shall be reported by him to the City Council at its next meeting, and

WHEREAS, the City Attorney Terry Ford has a City Charter Duty to perform his job and follow Chapter 7; Section 7-5 Department of Law; Subsection #4 Prosecute Charter and ordinance violations, and

WHEREAS, based upon collected evidence by the Highland Park City Council that contractual demolition and construction work has been executed at the City of Highland Park DPW Yard, and

WHEREAS, the Highland Park City Council, based upon its duties mandated by the Highland Park City Charter, has not sanctioned the demolition or construction at the City of Highland Park DPW Yard, and

WHEREAS, the City of Highland Park DPW Director, Willie Faison, stated at a Special Meeting of the City Council to address this issue that the work being performed at the aforementioned site will be in upwards of “\$500,000.00” (five hundred thousand dollars) and he has failed to bring forth a contract to be approved for such work, and

WHEREAS, a chronological timeline (Please see the attached document) has been constructed as proof of communication evidence between Mayor Hubert Yopp, City Attorney Terry Ford and the Highland Park City Council, and

WHEREAS, the requested information has been promised, but not provided to the Highland Park City Council.

THEREFORE, BE IT RESOLVED, that the Highland Park City Council is making its final request for the contractual information between the City of Highland Park and Ajax Paving Industries, Inc. be provided to the City Council for review immediately. Yeas (5), Nays (0), Absent (0).

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05-04-20-9b

Moved by Council Pro Tem Patrick
Supported by Councilmember Bates

To hold a Virtual Public Hearing Tuesday, May 26, 2020 at 6:00p.m to receive comments on the proposed 2020/2021 budget. Yeas (5), Nays (0), Absent (0).

ADJOURNMENT

Moved by Council Pro Tem Patrick
Supported by Councilmember Bates

To adjourn the meeting, motion carried, meeting adjourned at 8:17 p.m.

CERTIFICATE

I hereby certify that the attached is a copy of the minutes of the Virtual Regular Meeting held the 4th of May 2020 and that said minutes are available for public inspection at the address designated on the posted public notice.

A handwritten signature in blue ink, appearing to read 'Cidia Wicker-Brown', with a decorative flourish at the end.

Cidia Wicker-Brown, Deputy City Clerk