

CALUMET SPECIAL VILLAGE COUNCIL MEETING
CALUMET VILLAGE TOWN HALL
340 SIXTH STREET
CALUMET, MICHIGAN 49913
April 30, 2019 - 4:00 PM

Present: President David Geisler
Trustees: Joshua Rowe, Doug Harrer, Roxanne King, Nathan Anderson arrived at 4:43PM

Also present from the village: Village Attorney Jim Tercha, Village Clerk Kevin Weir

Public present: 1 member of the public present

Absent: Village Treasurer Stephani Camp

I. 4:15 PM President David Geisler called the meeting to order and the pledge was recited

II. Acceptance of Agenda

Motion made by Trustee King, and seconded by Trustee Rowe to accept the agenda as presented.

President David Geisler conducted a voice vote:

Yeas: All Nays: None

Motion Carried 4/0

III. Agenda

1. Petitions from the Public

None

2. Miller Canfield Engagement Letter

Motion made by Trustee King and seconded by Trustee Harrer that the law firm of Miller, Candfield, Paddock, and Stone be obtained by the village to provide assistance with the village's bond issue, subject to the terms and conditions of the engagement letter provided by the law firm to the village.

President David Geisler polled the council:

Yes: King, Rowe, Harrer, Geisler

No: None

Motion Carried: 4/0

See addendum 1 for the referenced engagement letter.

A discussion was had regarding whether the village was committed to utilizing the full amount of any voter approved bond issuance, which funds the down payment for a snow-go might come from, how much a snow-go might cost, and the scope and limitations of how the bond issuance could be used.

A brief discussion was had regarding future potential bond proposals, and/or short term

solutions to address Village Hall roof and other building maintenance issues.

3. Resolution Submitting Bond Proposal

Motion made by Trustee Harrer and seconded by Trustee King to adopt the Resolution Submitting Bond Proposal.

President David Geisler polled the council:

Yes: King, Rowe, Harrer, Geisler

No: None

Motion Carried 4/0

RESOLUTION SUBMITTING BOND PROPOSAL

VILLAGE OF CALUMET County of Houghton, State of Michigan

Minutes of a special meeting of the Village Council of the Village of Calumet, County of Houghton, State of Michigan, held on the 30th day of April, 2019, at 4:00 pm., Eastern Daylight Time.

PRESENT: Members: David Geisler, Roxanne King, Doug Harrer, and Joshua Rowe

ABSENT: Members: Nathan Anderson

The following preamble and resolution were offered by Member Doug Harrer and supported by Member Roxanne King..

WHEREAS, the Village Council (the "Council") of the Village of Calumet, County of Houghton, State of Michigan (the "Village"), has determined that it is in the best interest of the residents and property owners of the Village that the Village acquire snow removal equipment and acquire, construct, furnish and equip a public works garage, together with site improvements, interests in land, appurtenances and attachments thereto (the "Project"); and

WHEREAS, the Village Clerk directed the publication of a notice of intent to issue the Bonds in *The Daily Mining Gazette*, a newspaper of general circulation in the Village on February 25, 2019 (the "Notice of Intent"); and

WHEREAS, the Notice of Intent was in due form and the manner of publication of the Notice of Intent was the method best calculated to give notice to the Village's taxpayers and electors of the Village Council's intent to issue bonds for the Project, the purpose of the bonds, the security for the bonds, and the right of referendum relating thereto; and

WHEREAS, a petition requesting a vote of the electors on the issuance of the bonds for the Project signed by not less than 10% of the registered electors of the Village was filed with the Village Clerk within forty-five (45) days after the publication of the Notice of Intent; and

WHEREAS, it is necessary to submit the proposed issuance of bonds to the qualified electors of the Village for a vote.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The following proposition shall be submitted to a vote of the qualified electors of the Village of Calumet, County of Houghton, State of Michigan, at the election to be held on TUESDAY, AUGUST 6, 2019 (the "August Election Date"):

Calumet Village – Capital Improvement Bond Proposal

The Village published a notice of intent to issue capital improvement bonds to finance the costs of the acquisition of snow removal equipment and street maintenance equipment and the acquisition, construction, furnishing and equipping of a public works garage and received petitions requesting a referendum on the question of the issuance of the bonds.

Shall the Village of Calumet, County of Houghton, Michigan, borrow the principal sum of not to exceed Five Hundred Thousand Dollars (\$500,000) payable in not to exceed thirty (30) years from the date of issue, and issue its limited tax general obligation capital improvement bonds, in one or more series, for the purpose of paying the cost of acquiring snow removal equipment and street maintenance equipment and acquiring, constructing, furnishing and equipping a public works garage, together with site improvements, interests in land, appurtenances and attachments thereto?

YES

NO

The principal and interest of the bonds shall be payable from the general funds of the Village lawfully available for such purposes, including property taxes levied within applicable constitutional, statutory and charter tax rate limitations.

2. The ballot wording of the bond proposal is hereby certified to the Village Clerk, the township clerk of the Charter Township of Calumet (the “Township Clerk”) and to the Clerk of the County of Houghton (the “County Clerk”). The Village Clerk is hereby authorized and directed to file this Resolution and/or complete any such forms, certificates or documents as may be required by the Township Clerk and the County Clerk to evidence the foregoing certification and/or submission by no later than Tuesday, May, 14, 2019.

3. The Village Clerk, Township Clerk and the County Clerk are hereby directed to (a) post and publish notice of last day of registration and notice of election for the August Election Date as required by the Michigan Election Law; and (b) have prepared and printed, as provided by the Michigan Election Law, ballots for submitting the bond proposal at the August Election Date, which ballots shall contain the proposal appearing herein, or the proposition shall be stated as a proposal on the voting machines, which ballots may include other matters presented to the electorate on the same date.

4. All resolutions and parts of resolutions, insofar as they conflict with the provisions of this resolution, are hereby repealed.

AYES: Members: David Geisler, Roxanne King, Doug Harrer, Joshua Rowe

NAYS: Members: None

RESOLUTION DECLARED ADOPTED.

Village Clerk

I hereby certify that the attached is a true and complete copy of a resolution adopted by the Village Council of the Village of Calumet, County of Houghton, State of Michigan, at a special meeting held on the 30th day of April, 2019, and that the meeting was conducted and public notice of the meeting was given pursuant to Act No. 267, Public

Acts of Michigan, 1976, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

Village Clerk

4. Administrator Contract

President Geisler presented an updated draft of an administrator contract and updated the council on negotiations.

A discussion was had in regard to amending the proposed administrator contract language from termination being due to "just cause," or employment being, "at will," and the total overall compensation package value.

A motion was by Trustee Harrer and seconded by Trustee Anderson to counter offer the village administrator position to Caleb Katz by way of a 2 year contract at an annual base salary of \$54,000 plus a \$500 per month health insurance stipend in addition to other benefits as outlined by the contract.

Motion amended by Trustee Harrer to change language in Section 7, item D, to read, "vacation may not be waived by the administrator in favor of payment in cash in lieu of vacation time."

Trustee Anderson arrived at 4:43 PM

Motion amended by Trustee Harrer to change the termination clause in Section 5, from termination by "just cause," to employment, "at will."

President David Geisler polled the council:

Yes: King, Rowe, Harrer, Geisler

No: Anderson

Motion Carried 4/1

5. Bill

Motion made by Trustee Anderson and seconded by Trustee King to pay the B & B Contracting bill in the amount of \$3062.65 subject to receipt of an itemized invoice.

President David Geisler polled the council:

Yes: King, Harrer, Anderson Geisler

No: Rowe

Motion Carried 4/1

Trustee Anderson updated the council on the Land Bank Meeting.

IV. Adjournment

Motion made by Trustee Harrer and seconded by Trustee King to adjourn at 5:10 PM

President David Geisler conducted a voice vote:

Yeas: All Nays: None
Motion Carried 5/0

Respectfully Submitted,

Kevin P. Weir
Calumet Village Clerk
May 5, 2019

Addendum 1

Founded in 1852
by Sidney Davy Miller

MILLER CANFIELD

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Detroit, Michigan 48226
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MICHIGAN: Ann Arbor
Detroit • Grand Rapids
Kalamazoo • Lansing • Troy

ILLINOIS: Chicago

NEW YORK: New York

OHIO: Cincinnati • Cleveland

CANADA: Windsor

CHINA: Shanghai

MEXICO: Monterrey

POLAND: Gdynia

Warsaw • Wrocław

April 22, 2019

Via email only

Mr. David Geisler
Village President
Village of Calumet
340 Sixth Street
Calumet, Michigan 49913

Re: Bond Counsel Services – 2019 Capital Improvement Bonds

Dear Mr. Geisler:

We are delighted at the opportunity to assist the Village of Calumet (the “Village”) as bond counsel to finance the acquisition of various capital improvements. We value highly our client relationships and you may be assured of our prompt and complete attention to this financing. It is our practice when beginning work on a new matter to send an engagement letter like this which sets forth the scope of our services as bond counsel, our conflict of interest policy, and the nature of our compensation.

Bond Counsel’s Role

The role of bond counsel was created a century ago in response to requests from prospective purchasers of municipal bonds for an independent opinion about the legality and validity of bonds issued by local governments. Over the years, bond counsel’s role has expanded to include advising issuers on the means available to finance public improvements and passing upon the tax status of interest paid to bondholders, to cite two examples. These days bond counsel prepares most of the documentation related to a bond financing and leads the bond issuer through the process of issuing bonds.

In performing our services as bond counsel, our client is the Village and we will represent its interests. However our representation of the Village does not alter our responsibility to render an objective opinion as bond counsel. Upon delivery of the opinion our responsibilities as bond counsel will be concluded with respect to the Bonds.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Mr. David Geisler

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Scope of Bond Counsel Services – What We Will Do

As bond counsel, we would provide the following services customarily performed by bond counsel respecting the authorization, sale, issuance and delivery of bonds:

1. Consult with Village officials, its consultants, and others to explain the legal nature of a proposed borrowing, the Village's power to borrow and the limitations on that power, and consult with Village officials in the design of the bonding program and timing schedules.

2. Prepare all of the necessary resolutions, notices, agreements, and other documents necessary to authorize, issue and deliver the bonds. We also would assist you or your financial advisor in preparing applications to the Michigan Department of Treasury, if necessary, for approval to issue the bonds.

3. Examine the federal tax issues related to the bonds (done by an attorney specializing in the requirements of the Internal Revenue Code as they apply to municipal tax-exempt bonds) to assure that all requirements of the Internal Revenue Code are complied with and that any adverse tax consequences are minimized.

4. Review and pass on the legal accuracy of certain information regarding the bonds and the exclusion of interest on the bonds from gross income for taxation purposes and other legal matters relating to the bonds contained in the official statement, offering circular, or request for proposals respecting the bonds.

5. Prepare the official Notice of Sale (if any) respecting the bonds and the bond form for printing definitive bonds for delivery to the purchaser. We will also participate in the sale and delivery of the bonds to the purchaser in order to handle legal matters that may arise at those times.

6. Give the approving opinion as to validity and enforceability of the bonds and their authorizing documents and as to the excludability of the interest on the bonds from federal and state income taxation.

Our professional responsibilities as attorneys in this matter will be limited to interpretations of law and other legal issues and the drafting of legal documents. We are not registered municipal advisors under the federal Dodd-Frank Act and therefore we will not assume the responsibilities of a municipal finance advisor or the professional responsibilities of any other advisor with respect to non-legal matters.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Mr. David Geisler

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Additional Services

We believe that the above services encompass the normal scope of bond counsel activities. Our services as bond counsel do not include activities outside of the scope of activities described above. Review of construction contracts, land acquisition, or representation of the Village in litigation or administrative proceedings that might arise in connection with the Bonds or the project are beyond the scope of our role as bond counsel. In the event that serious matters or matters outside the norm arise in these areas, we would provide you at that time with a fee quote for such additional services.

Our engagement does not include any obligation to monitor compliance with the federal tax requirements found in the Internal Revenue Code of 1986 (the "Code") and applicable to the Bonds, including the rebate requirements of Code Section 148(f), if applicable, as described in an exhibit attached to the Nonarbitrage and Tax Compliance Certificate that the Village will execute in connection with the issuance of the Bonds, or in connection with any audit or examination of the Bonds by the Internal Revenue Service. However, we would be available to assist with rebate calculations or any audit or examination as a separate engagement.

Conflict of Interest Policy

Our firm is one of the largest in Michigan. In addition to having the largest public finance practice in the State, our attorneys represent a great many clients and our practice is in many different legal areas. At one time or another our firm has represented nearly every large and many smaller commercial and investment banks and other bond purchasers that do business in Michigan.

We are not representing and do not intend to represent any other party in this financing. We do not believe that our representation in unrelated matters of the various other parties both in and out of the municipal area will affect our ability to serve the Village as bond counsel.

Because we are a large firm with many clients we are asked occasionally to represent a client in a matter adverse to the Village. We, of course, would decline to represent any client in a matter involving the Village that would conflict with our services to the Village as bond counsel for the above issue. Moreover, before we would represent a client adverse to the Village in any area not involving the bond issue, we would advise the Village before undertaking such representation.

Estimate of Bond Counsel Fee

Since the final size and structure of the bond issue has yet to be determined, we cannot provide you with a firm fee quote, but just to give you some idea of the costs, if the project is financed through the issuance of a single series of bonds in the principal amount of approximately \$500,000 we estimate that our fee as bond counsel would be \$6,500. Such fee

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Mr. David Geisler

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may vary: (i) if the principal amount stated above is changed substantially, (ii) if material changes in the structure of the financing occur, or (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. If at any time we believe that circumstances require an adjustment of our original fee estimate, we will consult with you.

We welcome this opportunity to be of service to the Village and look forward to working with you. If you have any questions regarding this letter, please give me a call.

Very truly yours,

Miller, Canfield, Paddock and Stone, P.L.C.

By: 

Steven D. Mann