

A Regular Meeting of the Otsego City Commission was held Monday, August 21, 2017.

The meeting was called to order by Mayor Trobeck at 7:00 p.m. with the following Commissioners present: Nick Breedveld, Ryan Wieber, Tom Gilmer and Stacey Withee. Absent: None. Also present: City Manager Beard; Fire Chief Weber; Finance Director Storbeck; WWTP Superintendent Keyzer; DPW Supervisor Bosch; and Police Chief Konkle.

The audience joined the Commission in the Pledge of Allegiance.

The Regular Meeting Minutes of August 7, 2017, were approved as submitted.

I. PRESENTATIONS:

A. PRESENTATION BY ANDREA ESTELLE – OTSEGO DISTRICT LIBRARY

Andrea Estelle, Otsego District Library Director, gave a detailed presentation of the Library's Strategic Plan, Goals, and the Library's many accomplishments. She answered questions of the Commission.

B. PRESENTATION AND PROPOSAL BY THE MICHIGAN MUNICIPAL LEAGUE FOR THE CITY MANAGER SEARCH

Kathie Grinzinger of the Michigan Municipal League, explained the services that are available through the Michigan Municipal League regarding the upcoming City Manager search. She explained in detail the process and the proposal available to the City. She answered questions of the Commission. She stated that the process would take approximately 120 days, after the initial meetings are scheduled.

II. PUBLIC HEARING:

III. PLANNING AND ZONING:

IV. ORDINANCES:

V. REQUESTS:

A. CONSIDERATION OF REQUEST FROM THE OTSEGO CHAMBER OF COMMERCE TO HOLD THEIR ANNUAL CREATIVE ARTS FESTIVAL ON SEPTEMBER 30, 2017, AND TO CLOSE STATE HIGHWAY M-89 AT 6:00 A.M. UNTIL 5:00 P.M.

Commissioner Breedveld moved to grant the request from the Otsego Chamber of Commerce to hold their Annual Creative Arts Festival on September 30, 2017, and to close State Highway M-89 at 6:00 a.m. until 5:00 p.m., seconded by Commissioner Gilmer. CARRIED UNANIMOUSLY

B. CONSIDERATION OF RESIGNATION OF COMMISSIONER WIEBER

Commissioner Wieber stated that he will be moving out of the City and submitted his resignation effective August 31, 2017. Commissioner Gilmer reluctantly moved to accept the resignation of Commissioner Wieber, seconded by Commissioner Withee. CARRIED UNANIMOUSLY

C. CONSIDERATION OF AMENDMENT TO EMPLOYEE PERSONNEL
MANUAL – FAMILY AND MEDICAL LEAVE ACT

A lengthy discussion took place regarding the proposed change and how it would affect an employee's vacation and sick leave. Manager Beard commented that this amendment is only for staff not covered by a union contract. He commented that it is the intent to negotiate this in the union contracts. Commissioner Wieber moved to amend the Employee Personnel Manual – Family Medical Leave Act, as presented, seconded by Commissioner Withee. CARRIED. No – Commissioner Breedveld.

VI. AGREEMENTS:

A. CONSIDERATION OF AN AGREEMENT WITH THE MICHIGAN
MUNICIPAL LEAGUE – TO PERFORM THE CITY MANAGER SEARCH

Commissioner Gilmer moved to authorize the Mayor and City Clerk to enter into an agreement with the Michigan Municipal League, to perform the City Manager search, not to exceed \$18,000, seconded by Commissioner Withee. CARRIED UNANIMOUSLY

VII. RESOLUTIONS:

A. CONSIDERATION OF RESOLUTION NO. 2017-27 - A RESOLUTION
REQUESTING PERMISSION FROM THE MICHIGAN DEPARTMENT OF
TRANSPORTATION TO CLOSE STATE HIGHWAY M-89 ON SATURDAY,
SEPTEMBER 30, 2017

Commissioner Wieber offered the following resolution and moved for its adoption, seconded by Commissioner Breedveld.

CITY OF OTSEGO
MICHIGAN
RESOLUTION NO. 2017-27

A RESOLUTION REQUESTING PERMISSION FROM THE
MICHIGAN DEPARTMENT OF TRANSPORTATION
TO CLOSE STATE HIGHWAY M-89 ON SATURDAY, SEPTEMBER 30, 2017

WHEREAS, the City of Otsego hereinafter referred to as the "GOVERNMENTAL BODY" from time to time makes application to the Michigan Department of Transportation, hereinafter referred to as the "DEPARTMENT" for permits, hereinafter referred to as "PERMIT", to construct, operate, use and/or maintain utility or other facilities, or to conduct other activities, on, over, and under state trunkline right of way at various locations within and adjacent to its corporate limits.

NOW THEREFORE, in consideration of the DEPARTMENT granting such PERMIT the GOVERNMENTAL BODY agrees that:

1. It will faithfully fulfill all permit requirements and will indemnify, save harmless, represent and defend the State of Michigan, Michigan Transportation commission, the DEPARTMENT, and all officer, agents, and employees thereof and those governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract from any and all claims of every kind for injuries to, or death of any and all persons and, for loss of, or damage to property, and environmental damage or degradation, and from attorney's fees and related costs arising out of, under, or by

reason of the presence of the GOVERNMENTAL BODY'S facilities and/or its installation, construction, operation, maintenance, or other activities which are being performed under the terms of the PERMIT on, over, and/or under the State trunkline right of way, except claims resulting from the sole negligence or willful acts or omissions of said DEPARTMENT, its officers, agents, employees, and contracting governmental bodies and officers, agents, and employees thereof, performing permit activities.

2. The DEPARTMENT shall not be subject to any obligations or liabilities by vendors and contractors of the COMPANY, or their subcontractors or any other person not a party to the PERMIT without its specific prior written consent and notwithstanding the issuance of the PERMIT.

3. It will, by its own volition and/or request by the DEPARTMENT, promptly restore and/or correct physical or operating damages to any State trunkline right of way resulting or arising out of the installation, construction, operation, and/or maintenance of the GOVERNMENTAL BODY'S facilities pursuant to a PERMIT issued by the DEPARTMENT.

4. The incorporation by the DEPARTMENT of this Resolution as part of a PERMIT does not preclude the DEPARTMENT requiring additional performance security or insurance when deemed necessary by the DEPARTMENT.

5. This Resolution shall continue in force from the date hereof until cancelled by the GOVERNMENTAL BODY or the DEPARTMENT with no less than thirty (30) days prior written notice to the other party. It will not be cancelled or otherwise terminated by the GOVERNMENTAL BODY with regard to any PERMIT which has already been issued or activity which has already been undertaken.

BE IT FURTHER RESOLVED, that the City Manager or City Clerk of the City of Otsego are hereby authorized to make application to the Michigan Department of Transportation for the necessary permit to work within state trunkline rights of way on behalf of the GOVERNMENTAL BODY.

YEAS: Commissioners: Cyndi Trobeck, Tom Gilmer, Ryan Wieber, Stacey Withee,
Nick Breedveld

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

**B. CONSIDERATION OF RESOLUTION NO. 2017-28 – A BOND RESOLUTION
CITY OF OTSEGO, STATE OF MICHIGAN - CAPITAL IMPROVEMENT
BOND, SERIES 2017**

Commissioner Withee offered the following Resolution and moved for its adoption, supported by Commissioner Gilmer.

CITY OF OTSEGO
ALLEGAN COUNTY, MICHIGAN
RESOLUTION NO. 2017-28

BOND RESOLUTION
City of Otsego, State of Michigan
Capital Improvement Bond, Series 2017

WHEREAS, there have been prepared and presented to the City Commission (the "Commission") of the City of Otsego, Michigan (the "City"), a description of a capital improvement project in the City of Otsego (the "Capital Improvement Project"), all as more fully described in APPENDIX A, and the issuance of a bond sold to the Municipal Finance Authority pursuant to the terms of Act No. 34, Public Acts of Michigan, 2001 as amended ("Act 34"); and

WHEREAS, it has been estimated that the period of usefulness of the Capital Improvement Project is not less than 20 years and that the total amount of the project to be provided by the proceeds from the sale of the bond issued by the City pursuant to Act 34 will not exceed \$1,500,000.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF OTSEGO, MICHIGAN, AS FOLLOWS:

1. Bond Size. A Bond of the City in the aggregate principal amount of not to exceed \$1,500,000 shall, as provided below, be sold to the Michigan Finance Authority (the "Authority") through its Clean Water Revolving Fund Loan Program.

2. Definitions. In addition to other terms defined in this Resolution, whenever used in this Resolution, except when otherwise indicated by the context, the following terms shall have the following meanings:

a. "Act" means Act No. 34 of the Public Acts of Michigan of 2001, as amended.

b. "State Authority" and "Authority" shall mean the Michigan Finance Authority created under Executive Reorganization Order E.R.O. No 2010-2 Act No. 227 of the Public Acts of Michigan of 1985.

c. "Bond" means the City of Otsego Capital Improvement Bond, Series 2017 of the issuer in such principal amount as shall be delivered pursuant to the Purchase Contract authorized by this Resolution.

d. "Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the issuer, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bond and the principal and redemption premium, if any, on the Bond as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if the Bond is to be called for redemption prior to maturity, irrevocable notice to call the Bond for redemption shall be given to the paying agent.

e. "Purchase Contract" shall mean a Purchase Contract and Supplemental Agreement.

f. "Project" means the Capital Improvement Project as described in APPENDIX A attached hereto.

3. Bond Details. The Bond hereby authorized shall be designated City of Otsego, State of Michigan, Capital Improvement Bond, Series 2017, or in any other manner requested by

the Authority and approved by the City, shall be dated as of the date of delivery, shall consist of a single fully-registered bond, and shall be payable in the years and amounts as shown on the Form of Bond attached to this Bond Resolution all in accordance with a certain Purchase Contract, in the general form attached hereto as Appendix A (the "Purchase Contract").

The Bond shall bear interest from the date such principal is disbursed by the State Authority to the City at such rate per annum as shall be agreed to not in excess of two and one half percent (2.5%) per annum, payable on such dates as shall be provided in the final Bond. It is expected that principal will be disbursed in more than one installment and each installment of principal disbursed will bear interest from the date of disbursement as noted by the State Authority on the date of disbursement.

Principal of and interest on the Bond shall be payable, and principal of the Bond will be subject to prepayment prior to maturity, in the manner and at the times provided in the form of Bond set forth in paragraph 18 of this Bond Resolution. The actual debt retirement schedule shall be set forth in the Purchase Contract.

4. Source of Repayment. The Bond is to be issued pursuant to the provisions of Act 34 and the City hereby pledges its limited tax full faith and credit pledge to pay the principal and interest on the Bond and will pledge sufficient amounts of City taxes levied each year or sewer revenues collected each year and any combination thereof, provided that the amount of taxes necessary to pay the principal and interest on the Bond, together with the other taxes levied for the same year, shall not exceed the limit authorized by law.

5. Capitalized Interest. As the City so orders at the time of disbursing the first installment of principal to the City, up to two year's interest payable on the Bond may be capitalized; and be transferred to the Bond Payment Fund established herein.

6. Reduction in Aggregate Amount of Issue. In the event the Purchase Contract shall call for delivery of bonds less than \$1,500,000, the City Interim Manager or City Finance Director shall reduce the principal amount of the Bond and restructure the maturities thereof in accordance with the Purchase Contract.

7. Paying Agent and Bond Registrar. The City Finance Director shall act as the Paying Agent and Bond Registrar.

8. Transfer or Exchange of Bond. The Bond shall be transferable only as set forth in the Bond Form shown in paragraph 18 of this Bond Resolution.

9. Execution and Delivery. The bond shall be executed in the name of the City by the manual or facsimile signatures of the Mayor (or the Mayor-Pro Tem in the absence of the Mayor) and the City Clerk (if facsimile signatures are used the bond shall be authenticated by the manual signature of an authorized representative of the bond registrar and paying agent; if manual signatures are used no authentication is necessary), and the seal of the City or a facsimile thereof, shall be impressed or imprinted on the bond. When so executed, the Bond shall be delivered to the City Interim Manager or Mayor, who thereafter shall deliver the same to the Authority.

10. Bond and Interest Redemption Fund. The City shall establish a separate fund to be designated "City of Otsego 2017 Bond and Interest Redemption Fund" as described in Section 19c(2) of this resolution. Moneys in the Bond and Interest Redemption Fund shall be used solely to pay principal of and premium, if any, and interest on the Bond.

Moneys in the Bond Payment Fund may be continuously invested and reinvested in any legal investment for City funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the dates when moneys in the Bond Payment Fund will be required to pay the principal of and interest on the Bond. Obligations purchased as an investment of moneys of the Bond Payment Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

11. Project Fund. Except for amounts required by this resolution to be deposited in the Bond Payment Fund, the proceeds from the sale of the Bond shall be deposited in a separate fund to be designated "City of Otsego Capital Improvement Project Fund" (the "Project Fund").

Moneys at any time in the Project Fund shall be used solely to pay costs of the Project or to reimburse the City for any costs of the Project paid before the Bond is delivered, except that upon payment (or provision for payment) in full of the costs of the Project any excess moneys remaining in the Project Fund shall be transferred to the Bond Payment Fund (if a Bond is outstanding) or applied as required by law.

Moneys in the Project Fund may be continuously invested and reinvested in any legal investment for City funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the estimated dates when moneys in the Project Fund will be required to pay costs of the Project. Obligations purchased as an investment of moneys in the Project Fund shall be deemed at all times to be a part of the Project Fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

12. Mutilated, Lost, Stolen, or Destroyed Bonds. Subject to Act No. 354, Public Acts of Michigan, 1972, as amended and any other applicable laws, in the event any bond is mutilated, lost, stolen or destroyed, the Mayor and the City Clerk may, on behalf of the City, execute and deliver, or order the Bond Registrar to authenticate and deliver, a new bond having a number not then outstanding, of like date, maturity, interest rate and denomination as that mutilated, lost, stolen, or destroyed.

In the case of a mutilated bond, a replacement bond shall not be delivered unless and until such mutilated bond is surrendered to the Bond Registrar. In the case of a lost, stolen, or destroyed bond, a replacement bond shall not be delivered unless and until the City and the Bond Registrar shall have received the following: (i) a bond of indemnity as required by Act 354; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the bond lost, stolen or destroyed and the circumstances under which it was lost, stolen, or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the City and the Bond Registrar against loss due to the lost, stolen, or destroyed bond and the issuance of any replacement bond in connection therewith; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the City and the Bond Registrar in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the City.

13. Arbitrage and Tax Covenants. Notwithstanding any other provision of this Resolution, the City covenants that it will not at any time or times:

(a) Permit any proceeds of the Bond or any other funds of the City or under its control to be used directly or indirectly (i) to acquire any securities or obligations, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) in a manner which would result in the exclusion of any Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Bond as a "private activity bond" within the meaning of Section 141(a) of the Code, as a "private loan bond" within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the United States Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would (i) cause the interest on the Bond to be includible in gross income for federal income tax purposes, cause the interest on the Bond to be includible in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Bond to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code, or (ii) adversely affect the exemption of the Bond and the interest thereon from State of Michigan income taxation.

14. Defeasance or Redemption of Bond. If at any time,

(a) the whole amount of the principal of and interest on any outstanding bond shall be paid, or

(b) (i) sufficient moneys, or Government Obligations (as defined in this section) not callable prior to maturity, the principal of and interest on which when due and payable will provide sufficient moneys, to pay the whole amount of the principal of and premium, if any, and interest on any outstanding bond as and when due at maturity or upon redemption prior to maturity shall be deposited with and held by a trustee or an escrow agent for the purpose of paying the principal of and premium, if any, and interest on such bond as and when due, and (ii) in the case of redemption prior to maturity, any outstanding bond shall have been duly called for redemption (or irrevocable instructions to call such bond for redemption shall have been given) then, at the time of the payment referred to in clause (a) of this Section or of the deposit referred to in clause (b) of this Section, the City shall be released from all further obligations under this resolution, and any moneys or other assets then held or pledged pursuant to this resolution for the purpose of paying the principal of and interest on the Bond (other than the moneys deposited with and held by a trustee or an escrow agent as provided in clause (b) of this Section) shall be released from the conditions of this resolution, paid over to the City and considered excess proceeds of the Bond. In the event moneys or Government Obligations shall be so deposited and held, the trustee or escrow agent holding such moneys or Government Obligations shall, within thirty (30) days after such moneys or Government Obligations shall have been so deposited, cause a notice signed by it to be given to the registered holders hereof not more than sixty (60) days nor less than forty-five (45) days prior to the redemption setting forth the date or dates, if any, designated for the redemption of the Bond, a description of the moneys or Government Obligations so held by it, and that the City has been released from its obligations under this resolution. All moneys and Government Obligations so deposited and held shall be held in trust and applied only to the payment of the principal of and premium, if any, and interest on the Bond at maturity or upon redemption prior to maturity, as the case may be, as provided in this Section.

The trustee or escrow agent referred to in this Section shall (a) be a bank or trust company permitted by law to offer and offering the required services, (b) be appointed by an Authorized Officer, and (c) at the time of its appointment and so long as it is serving as such, have at least \$25,000,000 of capital and unimpaired surplus. The same bank or trust company may serve as trustee or escrow agent under this Section and as Bond Registrar so long as it is otherwise eligible to serve in each such capacity.

As used in this Section, the term "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

15. Filing with Municipal Finance Division. The City Manager or Interim Manager, if necessary, is authorized and directed to:

(a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;

(b) file with such application all required supporting material; and

(c) pay all fees required in connection therewith.

16. Resolution. The provisions of this Resolution shall constitute a contract between the City and the State Authority as the bondholder. After the issuance of the Bond the Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interests of the bondholder, nor shall the City adopt any law, ordinance or resolution in any way adversely affecting the rights of the holders of the Bond so long as the Bond or interest thereon remains unpaid.

17. Purchase Contract. The Interim Manager is hereby authorized to execute and deliver the Purchase Contract and the Interim Manager and City Clerk are hereby authorized to execute and deliver the Issuer's Certificate, with such changes as may be necessary or desirable, permitted by the Act and otherwise by law, and not materially adverse to the City so long as the interest rate on the Bond is not in excess of 2.5% per annum.

The Mayor, the City Clerk, the City Finance Director and the City Interim Manager, and each of them individually, are hereby authorized to sign the Supplemental Agreement and any and all other documents and certificates necessary for the sale and delivery of the Bond.

18. Form of Bond. The Bond shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
CITY OF OTSEGO
CAPITAL IMPROVEMENT BOND, SERIES 2017

No. R-1

<u>RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUANCE</u>
_____%	_____	_____

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REGISTERED OWNER: MICHIGAN FINANCE AUTHORITY

PRINCIPAL AMOUNT: _____ (\$_____)

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FOR VALUE RECEIVED, the City of Otsego, County of Allegan, State of Michigan (the "Issuer" or "City "), hereby acknowledges itself indebted and promises to pay to the Michigan Finance Authority (the "Authority") the principal sum of _____ Dollars (\$_____) or so much thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, on the dates and in the principal installments indicated on the Payment Schedule attached as EXHIBIT 1 hereto, unless prepaid prior thereto as hereinafter provided, with interest on said principal thereon until paid from the date each such installment of principal is disbursed by the Authority to the City at the rate of _____ percent (____%) per annum, first payable on _____, _____ and semiannually thereafter and principal is payable on the first day of _____ commencing _____, _____ (as identified in the Purchase Contract) and annually thereafter. For the prompt payment of principal and interest on this bond, the City has pledged its limited tax full faith and credit of the City and will pledge sufficient amounts of City taxes levied each year or sewer revenues collected each year and any combination thereof, and the City is obligated to levy ad valorem taxes in such amounts as shall be necessary for the making of such principal and interest

payments. HOWEVER, NO TAXES MAY BE LEVIED IN EXCESS OF CONSTITUTIONAL AND STATUTORY LIMITS.

Notwithstanding any other provision of this Bond, so long as the Michigan Finance Authority (the "State Authority" or "Authority") is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least forty (40) days prior to the date on which such redemption is to be made.

ADDITIONAL INTEREST

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

The Bond may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

During the time funds are being drawn down by the Issuer under this Bond, MFA will periodically provide the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the MFA to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

This Bond is a single registered bond issued by the City under and pursuant to and in full conformity with the Constitution and statutes of the State of Michigan (especially Act No. 34, Public Acts of Michigan, 2001, as amended) and a bond resolution adopted by the City Commission of the City on August 21, 2017 (the "Bond Resolution") for the purpose of paying for the construction of the Project.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in connection with the issuance of the Bond, existed, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the City, including this Bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Otsego, County of Allegan, Michigan, by its City Commission has caused this Bond to be executed in its name with the signatures of its Mayor and its City Clerk, has caused its seal to be affixed hereto, all as of the Date of Issuance.

YEAS: Commissioners: Cyndi Trobeck, Tom Gilmer, Ryan Wieber, Stacey Withee,
Nick Breedveld

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

C. CONSIDERATION OF RESOLUTION NO. 2017-29 – A RESOLUTION TO
AMEND THE 2016-2017 ANNUAL APPROPRIATIONS BILL

Commissioner Gilmer offered the following resolution and moved for its adoption, seconded by Commissioner Withee.

CITY OF OTSEGO
MICHIGAN
RESOLUTION NO. 2017-29
RESOLUTION TO AMEND THE 2017-2018 ANNUAL APPROPRIATIONS BILL

WHEREAS, the Otsego City Commission approved the 2017-2018 Annual Appropriations Bill which limited amounts for expenditures and anticipated revenues for the 2017-2018 fiscal year; and

WHEREAS, certain activities and/or revenue sources will exceed previous projections; and

WHEREAS, the Otsego City Commission wishes to formally amend the annual appropriations bill in acknowledgement of the need for revisions,

THEREFORE, BE IT RESOLVED, that the Otsego City Commission hereby approves the following increases and decreases to the 2017-2018 Annual Appropriations Bill:

DDA/Main Capital Improvements		
248-901-974 Capital Outlay – Land Improvements	\$	<u>80,000.00</u>
Net Increase/(Decrease)	\$	80,000.00

YEAS: Commissioners: Cyndi Trobeck, Tom Gilmer, Ryan Wieber, Stacy Withee,
Nick Breedveld

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

D. CONSIDERATION OF RESOLUTION NO. 2017-30- A RESOLUTION TO NAME AN AUTHORIZED REPRESENTATIVE, TO ACT ON BEHALF OF THE CITY, FOR THE CITY OF OTSEGO WWTP IMPROVEMENTS, CWSRF 5638-01, PROJECT

Breedveld offered the following Resolution and moved for its adoption, supported by Commissioner Wieber.

CITY OF OTSEGO
ALLEGAN COUNTY, MICHIGAN

RESOLUTION NO. 2017-30

A RESOLUTION TO NAME AN AUTHORIZED REPRESENTATIVE, TO ACT ON BEHALF OF THE CITY, FOR THE CITY OF OTSEGO WWTP IMPROVEMENTS, CWSRF 5638-01, PROJECT

WHEREAS, the City of Otsego, Michigan wishes to construct improvements to its existing wastewater treatment and collection system; and

WHEREAS, the wastewater system improvements project formally adopted on June 1, 2015 will be funded through Michigan's Clean Water State Revolving Loan Fund (CWSRF) Program; and

WHEREAS, the City of Otsego, Michigan is required, as a condition of funding, to have an appointed authorized representative to act on its behalf; and

WHEREAS, the current authorized representative will no longer be able to perform said function;

NOW THEREFORE BE IT RESOLVED, that the City of Otsego, Michigan appoints the City Clerk, a position currently held by Angela Cronen, as its authorized representative for the project.

YEAS: Commissioners: Cyndi Trobeck, Tom Gilmer, Ryan Wieber, Stacey Withee,
Nick Breedveld

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

VIII. APPOINTMENTS:

- A. CONSIDERATION OF THE APPOINTMENT OF POLICE CHIEF, GORDON KONKLE; FINANCE DIRECTOR, MATTHEW STORBECK; AND CITY CLERK, ANGELA CRONEN, AS JOINT INTERIM CITY MANAGERS

Commissioner Gilmer moved to appoint Police Chief, Gordon Konkle; Finance Director/Treasurer, Matthew Storbeck; and City Clerk, Angela Cronen; as Interim City Managers, effective September 7, 2017, seconded by Commissioner Withee. CARRIED UNANIMOUSLY

IX. DISCUSSION ITEMS:

- A. DISCUSSION REGARDING FUTURE REPLACEMENT OF WELL #5

Michael Williams of Peerless Midwest was in attendance to give an overview of Well #5 and the options that are available for maintenance or replacement. WWTP Supervisor, Luke Keyzer and Mr. Williams answered questions of the Commission.

MANAGER'S REPORT

1. Manager Beard gave an update on the following: Right-Of-Way at Rock-Tenn property; draft purchase agreement for real property; removal of the North Street Light; WWTP Improvement Project; new Main Street Manager – Joel Saukas; and Farmer Street update.
2. Manager Beard asked the Commission if they had any questions regarding his Manager's Report and answered questions at this time.

COMMUNICATIONS

None.

REMARKS FROM THE AUDIENCE

Mr. Prouty, 336 East Orleans Street – he thanked the Commission for allowing their Annual Block Party.

COMMISSIONERS' COMMENTS

Commissioner Withee – she commented that it would be senseless not to hire the MML for the City Manager search. She stated that she is going to miss Commissioner Wieber very much. She invited everyone to come to the Gus Macker.

Commissioner Wieber –he thanked his fellow Commissioners. He commented that he had a good time on the Commission and many great things have happened, such as Main Street and things continue to move forward because this community is loved by the residents. He commented that he is sad leaving the community where he raised this children. He stated that he appreciated Manager Beard – as he was top notch at running the City. He also thanked the Department Heads, County Commissioner Dugan, Dan Pepper of the Union Enterprise, and the audience. He concluded that he was honored to serve this community.

Commissioner Breedveld – he commented that Commissioner Wieber was a pleasure to work with and wished him and his family the best.

Mayor Trobeck – she stated that Commissioner Wieber and wife Molly, were brought to the community for a purpose, as a woman of faith, God is moving you to where you are needed. She wished Commissioner Wieber and his family the best. She reminded everyone of the Gus Macker. She thanked all of the individuals who gave presentations and the audience for attending.

The meeting was adjourned on a motion by Commissioner Wieber, seconded by Commissioner Gilmer. CARRIED – 8:41 p.m.

Angela M. Cronen, MMC
City Clerk