

Negaunee Township Regular Board Meeting – September 11, 2014

Call to Order

William Carlson, Township Supervisor, called the meeting to order at 7:00 p.m. with the Pledge of Allegiance. Other Board members present included John Ennett, Carl Nurmi, Rachel Sertich and Duane Soine .

Absent: None

Agenda

Upon motion of John Ennett, seconded by Duane Soine, the agenda as presented was approved. Motion Carried.

Approval of Minutes

Board members reviewed the minutes for the previously revised Regular Board Meeting held on September 11, 2014. Upon motion of Carl Nurmi, seconded by John Ennett, the revised minutes as presented were approved. Motion Carried.

Public Comment

Bill Carlson, 60 Co. Rd. 510, addressed the Board members. He noted he has been a resident of the area for 40 years, and his family has owned the property since 1967. He presented to the Board a petition containing 53 signatures from individuals who live in the area who are concerned with traffic on Co. Rd. 510 from Midway Drive to Hardwood Lane. A recent study showed 141 commercial vehicles use the road per day. With the road last having been paved in 1970, it has deteriorated to the point where the residents are concerned about safety, vibrations / home damage and the speed limit being too fast for conditions. They would like to see traffic temporarily slowed from 45 mph to 35 mph and the area, along with it being designated a no passing zone. Mrs. Carlson (?) noted the traffic speed on adjacent Midway Drive is already 35 mph.

Gary Wommer, 64 Co. Rd. 510, added his support to the request to slow traffic on the roadway. He noted down the road he can see a Road Millage may be required to fix roads within the Township. Another item to consider would be possibly contacting the Iron Ore Heritage Trail group – as bikers, etc. are looking for a way to connect to trails farther up the 510, and perhaps they could be of benefit. He also addressed the Board as a member of the Planning Commission and the Chair of the ZBA. He noted the Board meetings start off with the Pledge of Allegiance, and he's wondering if all Township meetings should start that way.

Dale Ossenheimer, 116 Arbutus Trail (across from Hoist Road), addressed the Board. He noted the concern for safety on Co. Rd. 510 goes from Midway Drive all the way to the new Dead River Bridge. He said traffic traveling south over the bridge is going down grade and picks up speed as it passes his area. Children in the area waiting for the bus stand back away from road due to safety concerns, and the bus driver has missed picking them up on occasion.

Old Business

Forge Road – Water Main Connector Board members reviewed bids received for the Forge Road Water Main Connector. Traverse Engineering had reviewed the bid packets to make certain everything was in order. Upon motion of Duane Soine, seconded by Carl Nurmi, approval was given to award the bid for the Forge Road Water Main Connection to A. Lindberg & Sons, Inc. in the amount of \$407,570.00

Forge Road Water Main Connector – Notice of Award Upon motion of John Ennett, seconded by Carl Nurmi, the Township Supervisor was authorized to sign the Notice of Award for A. Lindberg & Sons, Inc. for the contract price of \$407,570.00 for the Forge Road Water Main Connector project. Motion Carried.

New Business

Bussone Request for Compensation – Dead River Plat Revision Information was provided to Board members regarding revisions which had been made to the Dead River Plat due to the moved roadway issue. Mr. Bussone was requesting compensation for additional work he had performed up to \$1,250. Upon motion of John Ennett, seconded by Carl Nurmi, Ms. Bussone's request for compensation from Negaunee Township was denied as the Township did not create the issue but was taking the necessary steps to legally rectify the same, and it was recommended compensation be sought from the Dead River Campers Association. Motion Carried.

Co. Rd. 510 Safety Concerns After listening to the Public Comment and reviewing the 50+ petition signatures of individuals either residing on or living near Co. Rd. 510, Board members discussed the safety concerns for the portion of the road from the intersection of Co. Rd. 502 to the new Dead River bridge. Vehicle speed, vehicle passing, overall deteriorating condition of the road bed and shoulders and vibrations to homes / structures were addressed. Upon motion of Rachel Sertich, seconded by Carl Nurmi, approval was given to forward a request to the Marquette County Road Commission from Negaunee Township requesting that due to significant safety concerns the speed limit be temporarily reduced to 35 mph from Co. Rd. 502 to Hardwood Lane on Co. Rd. 510 and that the area be marked as a no passing zone until such time road improvements take place. Motion Carried

Reports

Community Center Board Duane Soine, Board Liaison, provided a report on the Community Center Board meetings held on September 18th (Special Meeting) and October 2nd, 2014. Items highlighted included: 1) work to be completed on the heating and cooling system by the end of November, 2014, 2) opening of the new bids for the ball field dugouts, pavilion roof and garage roof cap, and 3) approval to contract with Moyle Construction for the snow plowing of the Township parking lot.

Fire Department Report Jeff Konio, Fire Chief, was in attendance to review the written Fire Department / EMS report dated October 9, 2014: Items highlighted included: 1) 6 calls for the month of August (96 calls years to date), 2) building search and rescue and training, 3) work down for Fire Safety week, and 4) the Annual Spaghetti Dinner will be held on Saturday, October 11, 2014, from 4-7 pm at the Negaunee Township Hall (take out available).

Fire Department – Fire Prevention Week Thank You It was noted members of the Negaunee Township Fire Department have volunteered a considerable amount of time towards Fire Prevention Week and the various activities which have been taking place. Upon motion of Rachel Sertich, seconded by Duane Soine, the Negaunee Township Board expresses its Appreciation and Thanks to the Negaunee Township Fire Department members for all the hard work which has benefited local residents, especially school children, and the Township Supervisor was requested to forward a Letter of Thanks to the Department on behalf of the Township Board. Motion Carried

Water Report Board members reviewed the Water Department Report dated September, 2014 from Water Supervisor, Russ Williams, who was in attendance. Items highlighted included: 1) meter reads are now taking approximately 3 hours, 2) a substantial water leak at 1A Longyear Drive had been repaired, 3) all fire hydrants have been winterized with 6 repaired, and 4) the VFDs were installed with one installation having to be corrected.

New Welder Board members discussed the need to acquire additional equipment to deal with possible water freezes, as last winter equipment was borrowed from another municipality. Upon motion of Duane Soine, seconded by Carl Nurmi, approval was given to acquire a new welder to assist with water freezes at a cost not to exceed \$20,000. Motion Carried.

Clerk Report(Bills, Claims)

Water fund checks #6881 through #6891 totaling \$8,300.56 were reviewed. Upon motion of Carl Nurmi, seconded by John Ennett, the Water fund checks as presented were approved. Motion Carried.

General Fund checks #23626 through #23713 totaling \$77,994.79 were reviewed (September, 2014 ACH information was not yet available). Upon motion of John Ennett, seconded by Carl Nurmi, the General fund items presented were approved. Motion Carried.

Planning Report Carl Nurmi, Board Liaison to the Planning Committee, provided an update on the meeting held October 7, 2014 along with members reviewing a written report by Lauren Nenadovich, Zoning Administrator, dated October 6, 2014. Highlights included: 1) sign review for the kennel on Co. Rd. 480, and 2) discussion of accessory building size and the large number of variances which have been granted.

Assessor's Report John Gehres, Assessor, provided a written monthly report dated October 3, 2014. Items highlighted included: 1) New Construction, and 2) Marquette Equalization study.

Treasurer's Report John Ennett, Treasurer, noted the paperwork and Resolution for the Water Bond had been received.

**RESOLUTION AUTHORIZING
2014 CAPITAL IMPROVEMENT BOND
(LIMITED TAX GENERAL OBLIGATION)**

**TOWNSHIP OF NEGAUNEE
COUNTY OF MARQUETTE, STATE OF MICHIGAN**

WHEREAS, the Township of Negaunee, County of Marquette, State of Michigan (the "Township"), does hereby determine that it is necessary to pay part of the costs of acquiring, constructing, furnishing and equipping improvements to the Township's existing water supply system, consisting generally of approximately 5,100 lineal feet of water main from M-35 west to Forge Road to provide an alternate water supply feed for the system, together with valves, hydrants, necessary interests in land, structures, appurtenances and attachments thereto (the "Project"); and

WHEREAS, the cost of the Project is estimated to be approximately Six Hundred Thousand Dollars (\$600,000); and

WHEREAS, to finance part of the cost of the Project, the Township Board deems it necessary to borrow the principal amount of Six Hundred Thousand Dollars (\$600,000) and issue capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), to pay part of the cost of the Project; and

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

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bond; Bond Details. A Bond of the Township, designated 2014 CAPITAL IMPROVEMENT BOND (LIMITED TAX GENERAL OBLIGATION) (the "Bond"), shall be issued in the principal amount of Six Hundred Thousand Dollars (\$600,000) for the purpose of paying the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Bond. The issue shall consist of a single-instrument, non-convertible bond, dated as of the date of delivery, or such other date as determined by the Supervisor, Township Clerk or Township Treasurer (each, an "Authorized Officer"). The Bond shall mature on November 1 in the years 2015 to 2029, inclusive, or such other dates and/or years as shall be determined by an Authorized Officer at the time of sale. The Bond shall bear interest payable semi-annually on May 1 and November 1, first payable on May 1, 2015 (or as otherwise determined by an Authorized Officer at the time of sale), at the initial rate of 2.50% which shall adjust on November 1, 2019 and November 1, 2024 to a rate equal to the 5-year Treasury rate plus seventy basis points (0.70%). The Bond shall be subject to optional or mandatory redemption as determined at the time of sale.

Interest on the Bond shall be paid by check drawn on the Transfer Agent mailed to the registered owner of the Bond at the registered address, as shown on the registration books of the Township maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Township to conform to market practice in the future. The Township, by resolution, may appoint a successor Transfer Agent upon notice mailed to the registered owner of the Bond not less than sixty (60) days prior to any interest payment date. The Township Treasurer is initially appointed to serve as Transfer Agent with respect to the Bond. The Authorized Officers are each individually hereby authorized to select and appoint a successor Transfer Agent.

2. Execution of the Bond. The Bond shall be executed in the name of the Township with the manual or facsimile signatures of the Supervisor and Township Clerk and shall have the seal of the Township, or a facsimile thereof, printed or impressed on the Bond. The Bond bearing the manual or facsimile signatures of the Supervisor and the Township Clerk shall require no further authentication. The Bond shall be delivered to the purchaser or other person in accordance with instructions from the Township upon payment of the purchase price for the Bond in accordance with the accepted bid.

3. Transfer of the Bond. The Transfer Agent shall keep the books of registration for this issue on behalf of the Township. 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 the Bond shall be surrendered for transfer, the Township shall execute and the Transfer Agent shall authenticate and deliver a new Bond, 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.

4. Limited Tax Pledge; Debt Retirement Fund; Defeasance of the Bond. The Township hereby pledges its limited tax full faith and credit for the prompt payment of the principal of and interest on the Bond. The Township 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 Bond and shall advance as a first budget obligation from its general funds available therefor, or, if necessary, levy taxes upon all taxable property in the Township subject to applicable constitutional and statutory tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year.

The Township Treasurer is hereby authorized and directed to open a depository account with a bank or trust company designated by the Township Board, to be designated 2014 CAPITAL IMPROVEMENT BOND - 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 Bond.

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 Bond, shall be deposited in trust, 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 on the Bond from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange the Bond as provided herein.

5. Construction Fund; Proceeds of Bond Sale. The Township Treasurer is authorized and directed to open a separate depository account with a bank or trust company designated by the Township Board to be designated 2014 CAPITAL IMPROVEMENT BOND - CONSTRUCTION FUND (the "Construction Fund") and deposit into said Construction Fund the proceeds of the Bond 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 Bond.

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

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON EXEMPTIONS UNDER SUCH ACT. ANY RESALE OR OTHER TRANSFER OF THIS BOND MAY BE MADE ONLY UPON REGISTRATION UNDER SUCH ACT OR IN AN EXEMPT TRANSACTION UNDER SUCH ACT AND UPON COMPLIANCE WITH THE CONDITIONS SET FORTH HEREIN.

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF MARQUETTE

TOWNSHIP OF NEGAUNEE

**2014 CAPITAL IMPROVEMENT BOND
(LIMITED TAX GENERAL OBLIGATION)**

REGISTERED OWNER: Range Bank
PRINCIPAL AMOUNT: Six Hundred Thousand Dollars (\$600,000)
DATE OF ORIGINAL ISSUE: October 23, 2014
MATURITY DATE: November 1, 2029

The Township of Negaunee, County of Marquette, State of Michigan (the "Township"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, in annual principal installments on the dates and in the amounts set forth in Exhibit A attached hereto and made a part hereof, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months), from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at an initial five (5) year fixed rate of 2.50% per annum first payable on May 1, 2014 and semiannually thereafter. The interest rate shall adjust on November 1, 2019 and November 1, 2024 to a rate equal to the 5-year Treasury rate plus seventy basis points (0.70%). Principal of and interest on this bond is payable by the Treasurer of the Township, or such other paying agent as the Township may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Principal of and interest on this bond are payable by check or draft mailed by the Transfer Agent to the person or entity who or which is, as of the fifteenth (15th) day of the month preceding the interest payment date, the registered owner of record, at the registered address as shown on the registration books of the Township kept by the Transfer Agent. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the Township are hereby irrevocably pledged.

This bond, including the interest hereon, is payable as a first budget obligation from the general funds of the Township, and the Township is required, if necessary, to levy ad valorem taxes on all taxable property in the Township for the payment thereof, subject to applicable constitutional and statutory tax rate limitations.

This bond is a single, fully-registered, non-convertible bond in the principal amount of \$600,000, issued under and pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution duly adopted by the Township Board of the Township on October 9, 2014 for the purpose of paying part of the cost of certain capital improvements for the Township and paying the costs of issuance of the bonds of this issue.

The principal installment of this bond maturing in the year 2015, shall not be subject to optional redemption prior to maturity. This bond, or portions of this bond in multiples of \$5,000 maturing in the year 2016 and thereafter may be redeemed at the option of the Township, in whole or in part, on any date on or after November 1, 2015 at par and accrued interest to the date fixed for redemption.

Notice of redemption of any bond shall be given by the Transfer Agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the Transfer Agent. No further interest on a bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem this bond.

This bond is transferable only upon the registration books of the Township kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the Township, including this bond, does not exceed any constitutional or statutory debt limitation.

IN WITNESS WHEREOF, the Township, by its Township Board, has caused this bond to be signed in its name with the manual signatures of its Supervisor and its Township Clerk and its corporate seal to be impressed hereon, all as of the Date of Original Issue.

7. Useful Life of Project. The estimated period of usefulness of the Project is hereby declared to be not less than fifteen (15) years.

8. Negotiated Sale. The Township has considered the option of selling the Bond through a competitive sale and a negotiated sale and, pursuant to the requirements of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), has determined to proceed with the sale of the Bond by means of a negotiated sale because of the flexibility provided by a negotiated sale to select and adjust the terms for the Bond to best achieve the most advantageous interest rates and lowest interest costs for the Township.

The Township has received an offer from Range Bank (the "Purchaser") to purchase the Bond and the Township hereby accepts the offer.

9. Delegation to Authorized Officers; Sale Order. Each Authorized Officer is hereby authorized to place the Bond with the Purchaser, subject to the parameters set forth in this resolution, and execute a Sale Order accepting the bid of the purchaser and specifying the final terms of the Bonds and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds within the parameters authorized in this resolution.

10. Adjustment of Bond Terms. 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, all subject to the parameters established in this resolution, provided that the principal amount shall not exceed Six Hundred Thousand Dollars (\$600,000) and the Bond shall be payable in not to exceed twenty (20) annual installments.

11. Tax Covenant. The Township shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bond 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.

12. Qualified Tax Exempt Obligations. The Township hereby designates the Bond as a “qualified tax exempt obligation” for purposes of deduction of interest expense by financial institutions.

13. Authorization of Other Actions. The officers, administrators, agents and attorneys of the Township are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary to complete the issuance, sale and delivery of the Bond in accordance with this Resolution, and to make such other filings with any parties, including the Michigan Department of Treasury.

14. Appointment of Bond Counsel. The appointment of the law firm of Miller, Canfield, Paddock and Stone, P.L.C., as Bond Counsel for the Bond is hereby confirmed.

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

AYES: Members: Carlson, Ennett, Nurmi, Sertich and Soine

NAYS: Members None

Motion Carried

KBIC Checking Account Funds Board members discussed the KBIC checking account which currently exists and its lack of use. Upon motion of John Ennett, seconded by Duane Soine, approval was given to move the remaining funds in the KBIC checking account in the amount of \$16,142.04 to the Water Operations Account. Motion Carried.

Supervisor’s Report William Carlson, Township Supervisor, provided an update on Township activities since the last Board meeting including: 1) work with the Dead Rivers Campers Association Plat revision, and 2) the new telephone system..

Wellhead Protection Committee A meeting has been scheduled for 10/21/14 at 6 p.m.

Brownfield Authority No report, however, a Brownfield meeting will be scheduled in the near future.

Advisory Trial Committee Al Reynolds provided an update on projects currently underway on the Iron Ore Heritage Trail including 1/3 of the “Pointing To” signs had been installed and trailhead kiosks continue to be put in place (7 to date).

Personnel Committee Rachel Sertich, Chairperson, noted a meeting was scheduled for October 22, 2014 at 3 p.m.

Emergency Management Report Mr. Carlson noted no address changes had been received recently.

Correspondence

- None

Additional Public Comment

None

Informational Items

- Email from Kevin Koch to Supervisor

Board Member Comment

John Ennett and Rachel Sertich noted employee morale is low and work needs to be done to assure all departments work together in a respectful and professional manner.

Next Meetings

The next scheduled Township Board Meeting will be held on Thursday, November 13, 2014, to be held at 7 p.m. at the Negaunee Township Hall.

Adjournment

No further business appearing and upon motion of John Ennett, seconded by Rachel Sertich, the meeting was duly adjourned at 8:20 p.m.

Respectfully submitted,

Rachel Sertich
Negaunee Township Clerk