

**Minutes**  
**Fraser City Council**  
**Thursday, August 11th, 2016 @ 7pm**

A Regular meeting of the Fraser City Council was conducted on the above date at the City Municipal Building, located at 33000 Garfield Road, Fraser, County of Macomb, Michigan.

Present: Mayor Nichols and Council Members Blanke, Carnagie, Foster, Hemelberg, Lesich and Schornak  
Absent: None  
Also Present: Richard Haberman, City Manager  
Kelly Dolland, City Clerk  
Tim Tomlinson, City Attorney

**1. Call Meeting to Order** - Mayor Nichols called the Regular meeting to order at **7:00pm**.

Pastor Brannon offered Opening Prayer.

**2. Pledge of Allegiance**

**3. Approval of Agenda**

Member Schornak asked to add two items to the agenda; citizens participation at the beginning of the meeting, line item 5a.

Member Schornak moved, seconded by Mayor Nichols, TO ADD CITIZEN PARTICIPATION AS LINE 5A.

The motion carried 7-0

Member Schornak moved to add the discussion of a Request for Proposal (RFP) for a new city manager as line item 7e.

Member Schornak moved, seconded by Member Blanke, UNDER DIRECTION OF CITY ATTORNEY BEGIN DISCUSSION RELATED TO THE REQUIREMENTS NEW CITY MANAGER AS LINE 7E.

The motion carried 7-0

Member Blanke requested to add line item 7f. Discussion relative to Special Meeting, Tuesday, August 16<sup>th</sup>, 2016.

Member Blanke moved, seconded by Member Lesich, TO HAVE DISCUSSION RELATIVE TO SPECIAL MEETING, TUESDAY, AUGUST 16TH, 2016 AS LINE ITEM 7F.

The motion carried 7-0

Mayor Nichols moved, seconded by Member Carnagie, TO APPROVE AGENDA AS AMENDED.

The motion carried 7-0

Acting Mayor Hemelberg publically apologized for his involvement for services provided by the City of Fraser DPW.

**4. Presentations:**

**a. Lisa Radtke presentation on Mothers Against Drunk Driving (MADD).**

Tyler MacEachran the State Program Director spoke on behalf of MADD, families affected by drunk drivers, underage drinking and MADD's many services.

**b. Presentation by State Representative's office.**

State Representative Marilyn Lane and staff member Frank Surmann spoke of the potential sale of the Fraser Senior Housing spoke of deed restrictions of the building and the property and how the city can maintain and run the building. If sold the City of Fraser would not receive any of the proceeds. The building and property belongs to the state.

Member Carnagie spoke.

Member Blanke clarified that the State of Michigan's name is on the deed.

Member Lesich questioned the letter proved by Representative Lane.

Member Foster spoke highly of Representative Lane.

Mayor Nichols stated if the building were to be sold, the City of Fraser would receive zero dollars from the sale. Today, there is zero benefit to sell the building, unless there was a reverted clause.

**5. Public Hearing: - None**

**a. Citizens Participation:**

Resident Amelia Shereda spoke on behalf of the Fraser High School Student Council; August 25th, 2016 there will be a Fraser Tailgate Party from 5:30pm-6:30pm.

Resident Paul Cilluffo spoke of various topics.

**Minutes  
Fraser City Council  
Thursday, August 11th, 2016 @ 7pm**

2

**6. Consent Agenda**

- a. Approval of Minutes of the Regular Council Meeting of July 14, 2016.
- b. Approval of Bills for the month of July 2016 in the amount of \$2,639,662.79
- c. Receive and file the minutes of June 1, 2016 meeting of the Planning Commission.
- d. Receive and file the minutes of July 6, 2016 meeting of the Planning Commission
- e. Receive and file minutes of May 24, 2016 meeting of Historical Commission.

Member Schornak moved, seconded by Member Carnagie TO APPROVE THE CONSENT AGENDA AS PRESENTED.

The motion carried 7-0

**7. Requests for Council Action –**

**a. Request Council approve the Bond Authorizing Resolution 2016 Capital Improvement Bonds (Limited Tax General Obligation) as final step in the SRF process with MDEQ.**

Mr. Haberman stated this is a 3.3 million dollar SRF sewer project; this will complete the rehab of our sewer system. There is a reserve up to 3.8 million.

Member Schornak asked what does this mean to the average citizen, Mr. Haberman stated this will be paid through the water; this is a 20 year 2.5% bond. This will be added to the fixed cost. Mr. Haberman stated this could be paid as debt service on individual taxes on property tax bill.

BOND AUTHORIZING RESOLUTION  
2016 CAPITAL IMPROVEMENT BONDS  
(LIMITED TAX GENERAL OBLIGATION)  
CITY OF FRASER  
COUNTY OF MACOMB, STATE OF MICHIGAN

Minutes of a regular meeting of the City Council of the City of Fraser, County of Macomb, State of Michigan the "City", held on August 11, 2016, at 7:00 p.m., prevailing Eastern Time.

PRESENT: Mayor Nichols, Members: Carnagie, Hemelberg, Lesich, Foster, Schornak and Blanke.

ABSENT: Members: none

The following preamble and resolution were offered by Mayor Nichols and supported by Member Hemelberg:

WHEREAS, the City does hereby determine that it is necessary to undertake capital improvements to the City's sanitary sewer system, including correcting structural integrity defects by full length cured-in-place pipe (CIPP) linings, sectional CIPP linings and open-cut repairs, and removing sources of infiltration and inflow by manhole rehabilitation and elimination of direct storm water connections to the sanitary sewer system, along with all related appurtenances and attachments thereto (the "Project"); and

WHEREAS, the Project qualifies for the State of Michigan State Revolving Fund financing program being administered by the Michigan Finance Authority (the "Authority") and the Michigan Department of Environmental Quality ("MDEQ"), whereby the bonds of the City are sold to the Authority and bear interest at a fixed rate of two and one-half percent (2.50%) per annum; and

WHEREAS, to finance part of the cost of the Project, the City Council deems it necessary to borrow the principal sum of not to exceed Three Million Eight Hundred Thousand Dollars (\$3,800,000) and issue capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"); and

WHEREAS, a notice of intent 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.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Subject to no proper petition being filed within the requisite forty-five day period, bonds of the City designated 2016 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Three Million Eight Hundred Thousand Dollars (\$3,800,000) as finally determined by order of the MDEQ for the purpose of paying the cost of the Project, including 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 as finally determined at the time of sale of the Bonds and approved by the Authority and either the Mayor, City Manager or Finance Director (each an "Authorized Officer"). Final determination of the principal amount of and interest on the Bonds and the payment dates and amounts of principal installments of the Bonds shall be evidenced by the execution of a purchase contract (the "Purchase Contract") between the City and the Authority providing for sale of the Bonds 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; provided, however, that the first principal installment shall be due no earlier than April 1, 2017, the total number of principal installments shall not exceed twenty (20), and the total principal amount shall not exceed \$3,800,000.

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 and one-half percent (2.50%) 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 shall accrue from the date such principal amount is drawn down by the City.

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 this Resolution.

The Bonds or principal installments thereof shall be subject to prepayment prior to maturity by the City with the prior approval of the Authority.

The 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 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 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 City Clerk of the City 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 of Bonds. Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, 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 payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The City shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Bonds contained in Section 6 of this Resolution and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The City shall give the transfer agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

The transfer agent shall keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Bonds, which shall at all times be open

**Minutes  
Fraser City Council  
Thursday, August 11th, 2016 @ 7pm**

**3**

to inspection by the City; and upon presentation for such purpose the transfer agent shall under such reasonable regulations as it may prescribe transfer or cause to be transferred on said books Bonds as hereinbefore provided.

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

The Treasurer is authorized and directed to open a depository account with a bank or trust company designated by the City Council, to be designated 2016 CAPITAL IMPROVEMENT BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature.

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

5. Construction Fund; Proceeds of Bond Sale. The Treasurer is authorized and directed to open a separate depository account with a bank or trust company designated by the City Council, to be designated 2016 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 with such changes or completion as necessary or appropriate to give effect to the intent of this Resolution:

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF MACOMB

CITY OF FRASER  
2016 CAPITAL IMPROVEMENT BOND  
(LIMITED TAX GENERAL OBLIGATION)

REGISTERED OWNER: Michigan Finance Authority

PRINCIPAL AMOUNT:

DATE OF ORIGINAL ISSUE: September 16, 2016

The CITY OF FRASER, County of Macomb, State of Michigan (the "City"), for value received, hereby promises to pay to the Michigan Finance Authority (the "Authority"), or registered assigns, the Principal Amount shown above, or such portion thereof as shall have been advanced to the City pursuant to a Purchase Contract between the City and the Authority and a Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, unless prepaid or reduced prior thereto as hereinafter provided.

During the time the Principal Amount is being drawn down by the City under this bond, the Authority will periodically provide to the City 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 Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City 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.

The Principal Amount shall be payable on the dates and in the annual principal installment amounts set forth on the Schedule A attached hereto and made a part hereof, as such Schedule may be adjusted if less than \$3,800,000 is disbursed to the City or if a portion of the Principal Amount is prepaid as provided below, with interest on said principal installments from the date each said installment is delivered to the holder hereof until paid at the rate of two and a half percent (2.50%) per annum. Interest is first payable on April 1, 2017, and semiannually thereafter and principal is payable on the first day of October, commencing October 1, 2018 (as identified in the Purchase Contract) and annually thereafter.

Notwithstanding any other provision of this bond, as long as the Authority is the owner of this bond, (a) this bond is payable as to principal, premium, if any, and interest at the designated office of The Bank of New York Mellon Trust Company, N.A., Detroit, Michigan, or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (b) the City 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 at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; and (c) written notice of any redemption of this bond shall be given by the City and received by the Authority's Depository at least 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 City'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 City shall and hereby agrees to pay on demand only the City's pro rata share (as determined by the Authority) of such deficiency as additional interest on this bond.

This bond is the single, fully registered, nonconvertible bond in the principal sum of \$3,800,000, issued for the purpose of paying all or part of the cost of capital improvements to the City's sanitary sewer system, including correcting structural integrity defects by full length cured-in-place pipe (CIPP) linings, sectional CIPP linings and open-cut repairs, and removing sources of infiltration and inflow by manhole rehabilitation and elimination of direct storm water connections to the sanitary sewer system, along with all related appurtenances and attachments thereto. This bond is issued under the provisions of Act 34, Public Acts of Michigan, 2001, as amended and a duly adopted resolution of the City.

This bond is transferable only upon the books of the City by the registered owner in person or 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 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, and upon payment of the charges, if any, therein prescribed.

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

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

IN WITNESS WHEREOF, the City of Fraser, by its City Council, has caused this bond to be signed in the name of the City by the [manual][facsimile] signatures of its Mayor and Clerk and [a facsimile of] its corporate seal [impressed] [to be printed hereon], all as of the Date of Original Issue.

County of Macomb  
State of Michigan

By Joseph Nichols, Mayor  
City of Fraser

(SEAL)

By Kelly Ann Dolland, Clerk  
City of Fraser

**Minutes**  
**Fraser City Council**  
**Thursday, August 11th, 2016 @ 7pm**  
**CITY OF FRASER**

4

which shall be effective upon receipt by the City?

Principal DEQ Project No.: 5629-01

DEQ Approved Amt: \$

**SCHEDULE A**

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the City is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the City and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, or (2) that less than the principal amount of assistance approved by the Order is disbursed to the City by the Authority, the Authority shall prepare a new payment schedule

Installment  
Due on Amount of Principal

October 1, 2018	\$150,000
October 1, 2019	\$150,000
October 1, 2020	\$155,000
October 1, 2021	\$160,000
October 1, 2022	\$165,000
October 1, 2023	\$170,000
October 1, 2024	\$175,000
October 1, 2025	\$175,000
October 1, 2026	\$180,000
October 1, 2027	\$185,000
October 1, 2028	\$190,000
October 1, 2029	\$195,000
October 1, 2030	\$200,000
October 1, 2031	\$205,000
October 1, 2032	\$210,000
October 1, 2033	\$215,000
October 1, 2034	\$220,000
October 1, 2035	\$225,000
October 1, 2036	\$235,000
October 1, 2037	\$240,000

Interest on the bond shall accrue on principal disbursed by the Authority to the City from the date such portion is disbursed, until paid, at the rate of 2.50% per annum, payable April, 1, 2017, and semi-annually hereafter.

The City agrees that it will deposit with the Authority's Depository, or such other place as shall be designated in writing to the City by the Authority 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 City's deposit by 12:00 noon on the scheduled day, the City 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.

7. Sale of Bonds. The City hereby determines that it is in the best interest of the City to negotiate the sale of the Bonds to the Authority because the State 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 MDEQ for placement of the Bonds with the Authority.

8. Execution of Documents. 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 authorized to execute and deliver the Purchase Contract, Supplemental Agreement and Issuer's Certificate to the Authority. Prior to the delivery of the Bonds to the Authority, any Authorized Officer is hereby authorized to make such changes to the form of Bond contained in Section 6 of this Resolution as may be necessary to conform to the requirements of Act 227, Public Acts of Michigan, 1985, as amended ("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. Approval of Bond Counsel. The representation of the City by Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield"), as bond counsel is hereby approved, notwithstanding the representation by Miller Canfield of the Authority which may include advising the Authority on its borrowing.

10. Approval of Financial Advisor. The City hereby confirms the hiring of Bendzinski & Co, Municipal Finance Advisors, as financial advisor to the City in connection with the issuance of the Bonds.

11. Approval of Bond Details. The Authorized Officers are each hereby authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing is 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, and other matters, provided that the principal amount of Bonds issued shall not exceed the principal amount authorized in this Resolution, the interest rate per annum on the Bonds shall not exceed two and one-half percent (2.50%) per annum, and the Bonds shall mature in annual installments not to exceed twenty (20) in number.

12. Useful Life of Project. The estimated period of usefulness of the Project is hereby declared to be not less than twenty-two (22) years.

13. Tax Covenant. The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the 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.

14. Authorization of Other Actions. The Authorized Officers are each authorized and directed to take all other actions necessary or advisable, and to make such other filings with any parties, to enable the sale and delivery of the Bonds as contemplated herein.

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.

YES: Mayor Nichols, Members: Carnagie, Hemelberg, Lesich, Foster, Schornak and Blanke

NAYS: Members: none

RESOLUTION DECLARED ADOPTED.

Kelly Ann Dolland, Clerk

City of Fraser

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Fraser, County of Macomb, State of Michigan, at a regular meeting held on August 11, 2016, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Kelly Ann Dolland, Clerk  
City of Fraser

Mayor Nichols moved, seconded by Member Hemelberg, TO APPROVE THE BOND AUTHORIZING RESOLUTION 2016 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) AS FINAL STEP IN THE SFR PROCESS WITH MDEQ AS PRESENTED.

The motion carried 7-0

**b. Request Council approve the RFP for a Water Rate Study.**

Mr. Haberman stated the city will advertise a RFP for a Water Rate Study, have study done, return to council with recommendations and offer the public an alternative to the current water and sewer bill.

4

**Minutes**  
**Fraser City Council**  
**Thursday, August 11th, 2016 @ 7pm**

5

Member Hemelberg made the motion to approve the RFP for a Water Rate Study, supported by Member Carnagie.

Member Lesich requested a cost comparison with neighboring communities, requested a five year projection and commented on the RFP for the Water Rate Study. Member Lesich asked for an example of a rate study of a neighboring community.

Member Foster requested a more user friendly bill and reminded the residents it is not the clerical staffs fault for the water bills.

Audience to be heard:

Resident Gary Placido

Resident Susan Durban

Member Hemelberg moved, seconded by Member Carnagie, TO APPROVE THE REQUEST OF COUNCIL TO APPROVE THE RFP FOR A WATER RATE STUDY.

The motion carried 7-0

**c. Request Council approve the RFP for Towing Services in the City of Fraser.**

Member Blanke spoke of the legal opinion written by the City Attorney, and asked to be removed from discussion. Mr. Tomlinson stated Member Blanke can participate in discussion, it is not necessary at this time to remove herself from discussion.

Member Foster thanked the attorney for the legal opinion.

Member Schornak pointed out changes and additions to the RFP.

Member Carnagie asked to provide a draft with highlighted changes asking the city attorney to bring a draft to the September meeting.

Conversation ensued regarding the first sentence of the introduction.

Mayor Nichols moved, seconded by Member Carnagie, TO TABLE THE REQUEST FOR COUNCIL TO APPROVE THE RFP FOR TOWING SERVICES IN THE CITY OF FRASER.

The motion carried 7-0

**d. Request Council approve ballot language for a public safety assessment to be approved by voters on the November ballot.**

Mayor Nichols spoke of the proposal.

Recess 8:47pm – Meeting resumed 8:52pm

Mr. Haberman provided a slide show overview presentation regarding a public safety millage.

Member Blanke asked for clarification.

Mr. Haberman spoke of the use of millage. He provided an example, your tax bill, under general operating, you'll see 18.xxx, you decide to apply the 5 mils to the 18.xxx, but instead of charging the full 18.xxx mil you now charge 13mils, you have a zero tax increase, because you took the other tax and lowered it. The advantage is you fully applied your public safety millage for an infinite amount of time.

Member Carnagie stated the general public will not believe there will not be a tax increase. Secondly, he believed council wanted the people to vote on this and lastly the 2<sup>nd</sup> largest fire truck is out of service.

Mr. Tomlinson provided a scenario, if you approve the 'up to 5 mil' voters approve the 'up to 5 mil' and council said we will put 2 mil on a special assessment, next year the population goes above 15,000, we are stuck at that 2 mil, we cannot go back, we lose the opportunity and flexibility.

Member Foster made a motion to approve the ballot language with the elimination of the 'up to' language.

Public to be heard:

Resident Gil Harris

Resident Janet Calabrese

Resident Gary Placido

Member Foster moved seconded by Mayor Nichols, TO ACCEPT BALLOT APPROVAL WITH THE CHANGE OF 'LEVEY UP' AND 5 MILS.

Member Lesich discussed the ballot language.

Member Foster amended her motion to change the verbiage to July 1<sup>st</sup>, 2017 and 5 mils.

Member Foster moved, seconded by Mayor Nichols, TO APPROVE REAL PROPERTY SUBJECT TO ASSESSMENT OF FIVE DOLLARS PER ONE THOUSAND DOLLARS OF TAXABLE VALUE WHICH IS ESTIMATED TO RAISE APPROXIMATELY 1.9 MILLION DOLLARS WHEN FIRST LEVIED ON JULY 1<sup>ST</sup>, 2017.

Member Blanke is not in agreement with this.

The motion carried 6-1  
Member Blanke voted no

**Minutes  
Fraser City Council  
Thursday, August 11th, 2016 @ 7pm  
6**

CITY OF FRASER  
MACOMB COUNTY, MICHIGAN

RESOLUTION APPROVING BALLOT LANGUAGE FOR  
THE ESTABLISHMENT OF A SPECIAL ASSESSMENT  
DISTRICT FOR PUBLIC SAFETY PROTECTION

At the regular meeting of the City Council for the City of Fraser held in the Council Chambers at 33000 Garfield, City of Fraser, Macomb County, Michigan, 48026 on the 11th day of August, 2016 commencing at 7:00 p.m.

Present: MAYOR NICHOLS, MEMBERS: CARNAGIE, HEMELBERG, LESICH, FOSTER, SCHORNAK AND BANKE

Absent: MEMBERS: NONE

The following preamble and resolution were offered by Councilperson FOSTER and supported by Mayor NICHOLS.

WHEREAS, the City of Fraser City Council wishes to provide for police and fire protection, for purchasing, equipment and for the operation of same; and WHEREAS, the City may provide for the establishment of a special assessment district under the provisions of Michigan Public Act 33 of 1951 which authorizes raising money for furnishing fire and police protection, and purchasing and housing equipment, and for the operation of same; and

WHEREAS, the City Council of the City of Fraser wishes to levy five (5) mills as part of the special assessment district procedure;

NOW, THEREFORE, BE IT IS RESOLVED, that the City of Fraser City Council, Macomb County, approves the following ballot question language and directs the Clerk to submit to be placed on the November 8, 2016, election ballot:

Department of Public Safety Protection Proposition

Shall the entire City of Fraser of Macomb County, Michigan, be created into a Department of Public Safety Protection Special Assessment District under the provisions of Michigan Public Act 33 of 1951, for the purpose of raising money by special assessment for furnishing Department of Public Safety protection, including purchasing and housing equipment, and for operation of both, such special assessment to be levied upon each parcel of real property subject to assessment in an annual amount of five (\$5.00) dollars per one thousand (\$1,000.00) dollars of taxable value which is estimated to raise approximately \$1,900,000.00 when first levied on July 1, 2017?

Yes            6                    No            1

Any resolutions in conflict are repealed only to the extent necessary to give full force and effect to the foregoing resolution.

AYES: MAYOR NICHOLS, MEMBERS CARNAGIE, HEMELBERG, LESICH, FOSTER AND SCHORNAK

NAYS: MEMBER BLANKE

ABSENT: NONE

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
KELLY ANN DOLLAND, Clerk  
City of Fraser

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City of Fraser City Council at a regular meeting held on the 11th day of August, 2016 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267 of the Michigan Public Acts of 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

\_\_\_\_\_  
KELLY ANN DOLLAND, Clerk  
City of Fraser

**e. Under Direction of the City Attorney, begin discussion related to the requirements of a new City Manager.**

Member Schornak stated she would like to direct the attorney with the assistance of Mr. Haberman to come up with the qualifications for the position of City Manager and once Council has agreed, post the position with the MML.

Mr. Tomlinson asked for clarification; if the City Manager were to make the determination that he is leaving or services no longer required, we have something in place, a beginning point. ~ Member Schornak agreed.

Member Foster asked for a job description by next meeting.

Member Schornak moved, seconded by Member Foster, TO DIRECT THE ATTORNEY WITH THE ASSISTANCE OF THE CITY MANAGER TO DRAFT A JOB POSITION FOR A CITY MANAGER AND ONCE AGREED POST POSITION ON THE MML WEBSITE.

The motion carried 7-0

**f. Discussion relative to Special Meeting, Tuesday, August 16th, 2016.**

Member Blanke questioned the need for the Special Meeting. Member Lesich was listed as providing a presentation, Member Lesich will be out of town, stated he just learned of the meeting this afternoon.

Mayor Nichols proved an explanation for the meeting.

Member Foster spoke of the water bills and the need for a Special Meeting.

Member Lesich spoke of a Water Committee and stated he will not be available for the Special Meeting. He also stated he does not want to get paid to talk about water.

Member Foster stated councilmembers can donate their pay. Member Foster believes it is important to education the residents.

Mayor Nichols spoke of the need for two meetings a month.

**8. REPORT OF THE CITY ADMINISTRATION/PENDING ITEMS**

**Minutes**  
**Fraser City Council**  
**Thursday, August 11th, 2016 @ 7pm**  
**7**

Mr. Haberman stated he would like to execute the agreement with Macomb County for the Utica Rd Project. The agreement is scheduled till 6-30-2017 for \$354,000.00 of a project that will cost \$395,000,000. Utica Rd. will be resurfaced between 14 and 15 Mile Rd.

**9. REPORT OF MAYOR AND CITY COUNCIL/NEW BUSINESS**

Member Blanke spoke of an agenda item of Unfinished Business, thanked the Recreation Department, and Director for all their hard work, spoke of the passing of a well-respected Fraser Resident Janet Hooper.

Mayor Pro-tem Carnagie spoke of the condition of the Memorial, City Picnic, DPW trailer, and water towers.

Member Foster spoke of Fraser Summer Play Lion King Junior, thanked all who participated in the parade, thanked the DPW employees for addressing a complaint, promoted a local artist, mentioned the Mobile Gas Station on the Corner of 14 and Utica Rd, and also an 8-31-2016 Black Finn fundraiser for 'Pack your Back'. She also would like to educate the residents on city topics and thanked Pam Pitts and Nancy Berube for weeding the grounds surrounding the CVS store.

Acting Mayor Hemelberg apologize for the DPW incident, spoke of the Lion's Club, Kelly Circus scheduled Monday, August 15<sup>th</sup>, 2016 and a Pro-wrestling event at the Fraser Lions Club on 9-11-2016.

Member Lesich asked about the two expired terms of the Zoning Board of Appeals, has not received report from the Finance Department and the Fraser Booster Club purchase of equipment.

Mayor Nichols thanked all, thanked Public Safety for their assistance with El Charro; he visited the site because media said it was much more serious than reported. Thanked the Fraser Lions Club, Fraser First Booster Club, Pete from the Coney Grill and the Clerk's Office for the Election. Lastly, thanked Fraser Officers for keeping his son safe during the Fraser Fair.

Member Schornak stated the VFW will host a car show over Labor Day weekend as well as 'Soup Cook-off'. For the purpose of clarification, asked Mr. Tomlinson; if we are absent from a meeting who excuses, the Chair or do we vote to excuse each other. Mr. Tomlinson typical protocol is to report to mayor or City manager. There will be a motion to excuse the council person subject to a council vote, refer to Council Rule 2.06.

**10. CITIZEN PARTICIPATION**

Resident Susan Weiland spoke  
Resident Dana Freers spoke  
Resident Nancy Berube spoke  
Resident Laura Lesich  
Property Owner Ken Immler

**11. ADJOURNMENT**

Member Hemelberg moved, Mayor Nichols seconded by, to ADJOURN THE REGULAR COUNCIL MEETING OF AUGUST 11<sup>TH</sup>, 2016 @ 11:27PM.

The motion carried unanimously,

Respectfully submitted,

\_\_\_\_\_  
Kelly Dolland, City Clerk

\_\_\_\_\_  
Joe Nichols, Mayor

/KD