

**MINUTES OF A REGULAR MEETING  
OF THE  
LAPEER CITY COMMISSION**

**January 4, 2010**

A regular meeting of the Lapeer City Commission was held January 4, 2010 at Lapeer City Hall, 576 Liberty Park, Lapeer, Michigan. The meeting was called to order at 6:30 p.m.

**Present:** Mayor Sprague  
Commissioners Bennett, Marquardt, Robinet, Farrington, and Bostick-Tullius.  
City Manager Dale Kerbyson  
City Attorney Representative Tim Turkelson

**Absent:** None.

**Others Present:** City Clerk Donna Cronce; Deputy City Clerk Tracey Russell; Police Chief Todd Alexander; Fire Chief Terry Kluge; Director of Finance Paul Boucher; City Assessor Tom Hubbell; Planning Director Linda Jackman; Director of Public Works John Lyons; Water Superintendent Pam Reid; Rowe Professional Services Company representatives Doug Skylis; Lapeer County Press representative Jeff Hogan; Lapeer County Commissioner Lenny Schneider; LDC Director Patricia Lucas; Sonny and Clare Longoria; Melanie DiCenso; Brent Herschberger; John LaClair; Farid and Michelle Nassar; Pasator Keith Atwood; Dennis Peplinski; Theresa Green; Mike Beres.

Mayor Sprague led the Pledge of Allegiance.

**AGENDA APPROVAL**

**1 2010 01-04**

Moved by Marquardt. Seconded by Bostick-Tullius.  
To approve the Agenda for January 4, 2010 as presented.  
MOTION CARRIED.

**MINUTES**

**2 2010 01-04**

Moved by Robinet. Seconded by Bennett.  
To approve the minutes from the Regular Meeting held on December 21, 2009.  
MOTION CARRIED.

Minutes from the various Boards and Commissions were received into record.

**CONSENT AGENDA**

**3 2010 01-04**

Moved by Robinet. Seconded by Farrington.  
To approve the Consent Agenda for January 4, 2010 resulting in the following:

1. Approve the Michigan State Housing Development Authority (MSHDA) Amendment of 2009 Housing Agent Agreement ending June 1, 2010.
2. Approve Payment Request #7 to Zito Construction in the amount of \$37,485.00 for the M-24 Corridor Utility Expansion Project – Water Main.
3. Approve Payment Request #7 to Posen Construction, Inc. in the amount of \$245,843.74 for the M-24 Corridor Utility Expansion Project – Sanitary Sewer Pump Stations.

MOTION CARRIED.

## **BILL LISTING FOR JANUARY 4, 2010**

### **4 2010 01-04**

Moved by Robinet. Seconded by Marquardt.

To approve the Bill Listing for January 4, 2010 in the amount of \$1,186,679.61.

MOTION CARRIED.

### **PUBLIC COMMENTS**

None.

### **PROCLAMATIONS, RECOGNITIONS AND RESOLUTIONS**

None.

### **PUBLIC HEARINGS**

Industrial Facilities Exemption Certificate: Premium Wood Pellets, LLC.

Patricia Lucas, Executive Director of Lapeer Development Corporation, introduced Dennis Peplinski and Theresa Green representatives of Premium Wood Pellets, LLC; asked the Commission to consider approving the IFT request; moved into building owned by Fillmore Thomas; investment of \$310,200 in building improvements and new machinery and equipment; creation of eight new jobs; City policy allows for a 12 year exemption; and that the company is an environmentally free facility.

Mayor Sprague opened the public hearing at 6:33 p.m. There being no comments, Mayor Sprague closed the public hearing at 6:33 p.m.

### **5 2010 01-04**

Moved by Farrington. Seconded by Marquardt.

To approve the Resolution Approving The Application Of Premium Wood Pellets, LLC For An Industrial Facilities Tax Exemption Certificate.

#### **CITY OF LAPEER RESOLUTION APPROVING THE APPLICATION OF PREMIUM WOOD PELLETS, LLC FOR AN INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE**

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on May 21, 1990 this Commission by resolution established the City of Lapeer Industrial Development District No. F as requested by the Lapeer City Commission; and

WHEREAS, Premium Wood Pellets, LLC has filed an application for an Industrial Facilities Exemption Certificate with respect to building improvements and the purchase of new machinery and equipment to be acquired and installed within the Industrial Development District No. F; and

WHEREAS, before acting on said application, the City of Lapeer held a hearing on January 4, 2010 at the Lapeer City Hall, 576 Liberty Park, at 6:30 p.m. or as soon thereafter as may be heard, prior to which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, commencement of the installation of new machinery and equipment had not begun earlier than six (6) months before December 8, 2009 the date of the acceptance of the application for the Industrial Facilities Exemption Certificate; and

NOW THEREFORE, BE IT RESOLVED by the Lapeer City Commission that:

1. The Board finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Lapeer, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Lapeer.

2. The application of Premium Wood Pellets, LLC for an Industrial Facilities Exemption Certificate with respect to building improvements and the purchase of new machinery and equipment to be installed on the following described parcel of real property situated within the City of Lapeer Industrial Development District No. F, to wit: 350 County Center Street Legal Description:

CITY OF LAPEER T7N, R10E, SEC 5 COM NW COR BLK 6 JENNINGS ADD AT S'LY LN GTRR R/W BEING 56 FT S OF & PAR TO C/L OF MAIN TRACK, TH W'LY ALG RR R/W 145.77 FT; TH S'LY AT R ANG 90.5 FT; TH W'LY PAR RR R/W 12.5 FT; TH S'LY AT RT ANG 80.5 FT; TH S36\*33'52"W 59.58 FT; TH 147.04 FT ALG CRV TO R, LC=S36\*14'32"E 144.84 FT' TH S19\*02'57"E 72.79 FT; TH E 67.6 FT TO W LN JENNINGS ADD; TH N ALG SD W LN 413.2 FT TO POB

More commonly known as 350 County Center Street

be and the same is hereby approved.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of 12 years after completion, provided, however, that said certificate shall be subject to the terms and conditions of the Tax Abatement Agreement between the City of Lapeer and Premium Wood Pellets, LLC dated December 8, 2009. MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

Special Assessment #2009-01: S. Main Sanitary Sewer Extension Project.  
Necessity Public Hearing

Mayor Sprague opened the public hearing at 6:35 p.m. to hear comments regarding necessity of Special Assessment #2009-01 for S. Main Sanitary Sewer Extension Project. There being no comments, Mayor Sprague closed the public hearing at 6:35 p.m.

**6 2010 01-04**

Moved by Marquardt. Seconded by Bennett.

To approve Resolution No. 3 that determines the project necessary and order the preliminary roll prepared regarding Special Assessment #2009-01 S. Main Sanitary Sewer Extension Project. Commissioner Farrington asked for clarification on the sewer extension connection with the response that the connection would be coming from Lapeer Commons area. The question was called to a vote.

RESOLUTION NO. 3

S. Main Sanitary Sewer Extension Project  
#2009-01

CITY OF LAPEER  
COUNTY OF LAPEER, MICHIGAN  
Special Assessment District No. 2009-01

WHEREAS, the City Commission, after due and legal notice, has met and heard all interested persons to be affected by the proposed public improvements hereinafter described:

S. Main Sanitary Sewer Extension Project

Extension of approximately 1,370 feet of Sanitary Sewer service from the existing sewer placed through the Lapeer Commons Development to be bored across M-24 and run along the east side of M-24 from the northern property line of the Nassar property known as 1053 S. Lapeer Road south to the northern line of the Orchard Drive right-of-way.

AND WHEREAS, the City Commission deems it advisable and necessary to proceed with said public improvements;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Commission hereby determines to make the public improvements described above and the plans and estimates of cost as presented are approved.
2. The City Assessor be and is hereby directed to make and prepare a Special Assessment Roll in conformity with the requirements of the City Charter.
3. When the City Assessor shall have completed the Special Assessment Roll, he shall report the same to the Commission and the same shall be filed with the City Clerk; such roll shall have a certificate attached thereto signed by the City Assessor stating that the roll was made pursuant to this resolution adopted January 4, 2010 and that in making such roll, the Assessor in his best judgment, has conformed in all respects to the directions contained in this resolution and the City Charter.
4. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

MOTION CARRIED. RESOLUTION DECLARED ADOPTED

Special Assessment #2009-02: N. Saginaw Street Reconstruction Project.  
Necessity Public Hearing

Mayor Sprague opened the public hearing at 6:37 p.m. to hear comments regarding necessity of Special Assessment #2009-02 for N. Saginaw Street Reconstruction Project.

Jim Petersen, 545 N. Saginaw, commented on his understanding that the meeting would not deal with costs but necessity of the project and availability of looking at assessment costs. City Assessor Tom Hubbell provided an overview of the special assessment process. Mr. Petersen asked about bidding of project costs and, if amounts were more or less, how that would affect costs assessed to property owners.

Mike Beres, tenant at 606 N. Saginaw Street, commented that he agreed with Mr. Petersen and if project comes in too much do property owners have a say in whether the project should continue. Mayor Sprague advised that projects have been stopped after bidding costs were higher than anticipated and that the Commission determines approval for the projects to move forward.

John LaClair, 433 N. Saginaw Street, asked if they would be able to review costs assessed, would like to know what the project will consist of, issues with brick paving in the project.

Mayor Sprague stated that a public hearing relating to costs will be at the next meeting, and that pictures of the project are available. Doug Skylis with Rowe Professional Services, commented that brick paving from Nepessing to Park Street was included and provided a review of project improvements.

Jim Petersen commented on cost of the brick paving to be shared by all properties and at what point are the property owners going to see the costs assessed.

Mike Beres asked if it would matter if property owners thought project was too expensive. Mayor Sprague commented that the project would be approved/disapproved by the Commission, however, public input is taken into account.

Mayor Sprague closed the public hearing at 6:49 p.m.

Commissioner Farrington questioned the 8 decorative lighting and brick paving; requested that the City Manager present information on lights and pavers to the Commission; and feels that the project is necessary.

Commissioner Bennett inquired on grant monies received and the ability to review costs for the project.

**7 2010 01-04**

Moved by Farrington. Seconded by Marquardt.

To approve Resolution No. 3 that determines the project necessary and order the preliminary roll prepared regarding Special Assessment #2009-02 for N. Saginaw Street Reconstruction Project.

**RESOLUTION NO. 3**

**N. Saginaw Street Reconstruction Project  
#2009-02**

**CITY OF LAPEER  
COUNTY OF LAPEER, MICHIGAN  
Special Assessment District No. 2009-02**

WHEREAS, the City Commission, after due and legal notice, has met and heard all interested persons to be affected by the proposed public improvements hereinafter described:

N. Saginaw Street Reconstruction Project

Reconstruction of N. Saginaw Street from a point located 450 feet south of Nepessing Street to a point 300 feet north of Oregon Street including approximately 1,700 linear feet of Saginaw Street including sub-base, aggregate base, curb and gutter (3000'), HMA pavement, driveways and sidewalks. Existing drainage structures will be replaced along with minor storm sewer improvements. Project also includes replacing/up-sizing approximately 1,800 feet of sanitary sewer and 800 feet of water main. Aesthetic elements such as decorative lighting and brick pavers are also included for the first segment of the project.

AND WHEREAS, the City Commission deems it advisable and necessary to proceed with said public improvements;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Commission hereby determines to make the public improvements described above and the plans and estimates of cost as presented are approved.
2. The City Assessor be and is hereby directed to make and prepare a Special Assessment Roll in conformity with the requirements of the City Charter.
3. When the City Assessor shall have completed the Special Assessment Roll, he shall report the same to the Commission and the same shall be filed with the City Clerk; such roll shall have a certificate attached thereto signed by the City Assessor stating that the roll was made pursuant to this resolution adopted January 4, 2010 and that in making such roll, the Assessor in his best judgment, has conformed in all respects to the directions contained in this resolution and the City Charter.
4. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

**MOTION CARRIED. RESOLUTION DECLARED ADOPTED**

## ADMINISTRATIVE REPORTS

### Special Assessment #2009-01: S. Main Sanitary Sewer Extension Project.

#### **8      2010   01-04**

Moved by Bennett. Seconded by Robinet.

To approve Resolution No. 4 accepting the preliminary roll and setting a public hearing for January 19, 2010 at 6:30 p.m. or as soon thereafter as may be heard to review said preliminary roll regarding Special Assessment #2009-01 for S. Main Sanitary Sewer Extension Project.

#### RESOLUTION NO. 4

S. Main Sanitary Sewer Extension Project  
#2009-01

CITY OF LAPEER  
COUNTY OF LAPEER, MICHIGAN  
Proposed Special Assessment District No. 2009-01

WHEREAS, The City Assessor has prepared a preliminary Special Assessment Roll for the purpose of specifically assessing that portion of the costs of the public improvements more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the City Commission by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said preliminary Special Assessment Roll shall be filed in the office of the City Clerk for public examination.
2. The City Commission shall meet at the City Hall, at 6:30 o'clock p.m., Local Time, on January 19, 2010, for the purpose of hearing all persons interested in said preliminary Special Assessment Roll and reviewing the same, and at said meeting all interested persons shall be afforded an opportunity to be heard.
3. The City Clerk is directed to publish the notice of said hearing once in the LA View, Lapeer, Michigan, a newspaper of general circulation in the City, said publication to be not less than seven (7) full days prior to the date of said hearing and shall further cause notice of said hearing to be sent by certified mail to each owner of or person in interest in property to be assessed as shown by the last general tax assessment roll of the City, at least ten (10) full days before the time of said hearing, and said notice to be mailed to the addresses shown on said general tax rolls of the City.
4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF HEARING TO REVIEW PRELIMINARY SPECIAL ASSESSMENT ROLL  
CITY OF LAPEER  
COUNTY OF LAPEER, MICHIGAN

TO THE OWNERS OF ALL PROPERTY WITHIN THE FOLLOWING DESCRIBED SPECIAL ASSESSMENT DISTRICT #2009-01:

Lots 4; 5; 6; 8; 9 and 12 of Churchill Farms Subdivision, Section 8, Town 8 – Range 10.

TAKE NOTICE that a preliminary Special Assessment Roll has been prepared for the purpose of defraying the Special Assessment District's share of the cost of the following described public improvement:

S. Main Sanitary Sewer Extension Project

Extension of approximately 1,370 feet of Sanitary Sewer service from the existing sewer placed through the Lapeer Commons Development to be bored across M-24 and run along the east side of M-24 from the northern property line of the Nassar property known as 1053 S. Lapeer Road south to the northern line of the Orchard Drive right-of-way.

The said preliminary Special Assessment Roll is on file for public examination with the City Clerk. Objections to said special assessment may be made in writing prior to the close of the hearing or by personal appearance at the time of the hearing to review said preliminary special assessment roll. A written protest filed prior to the close of said hearing or an oral protest made by an owner or party of interest or his or her agent at the time of said hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal. A written appeal of the special assessment may be filed with the State Tax Tribunal within 30 days after confirmation by the City Commission of the Special Assessment Roll.

TAKE FURTHER NOTICE that the City Commission and the City Assessor will meet at the City Hall, at 6:30 o'clock p.m., Local Time, on January 19, 2010 for the purpose of reviewing said preliminary special assessment roll and hearing any objections thereto.

DONNA L. CRONCE, MMC  
CITY CLERK, CITY OF LAPEER

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

MOTION CARRIED. RESOLUTION DECLARED ADOPTED

Special Assessment #2009-02: N. Saginaw Street Reconstruction Project.

**9 2010 01-04**

Moved by Robinet. Seconded by Marquardt.

To approve Resolution No. 4 accepting the preliminary roll and setting a public hearing for January 19, 2010 at 6:30 p.m. or as soon thereafter as may be heard to review said preliminary roll regarding the Special Assessment #2009-02 for N. Saginaw Street Reconstruction Project.

RESOLUTION NO. 4

N. Saginaw Street Reconstruction Project  
#2009-02

CITY OF LAPEER  
COUNTY OF LAPEER, MICHIGAN  
Proposed Special Assessment District No. 2009-02

WHEREAS, The City Assessor has prepared a preliminary Special Assessment Roll for the purpose of specifically assessing that portion of the costs of the public improvements more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the City Commission by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said preliminary Special Assessment Roll shall be filed in the office of the City Clerk for public examination.
2. The City Commission shall meet at the City Hall, at 6:30 o'clock p.m., Local Time, on January 19, 2010, for the purpose of hearing all persons interested in said preliminary Special Assessment Roll and reviewing the same, and at said meeting all interested persons shall be afforded an opportunity to be heard.
3. The City Clerk is directed to publish the notice of said hearing once in the LA View, Lapeer, Michigan, a newspaper of general circulation in the City, said publication to be not less than seven (7) full days prior to the date of said hearing

and shall further cause notice of said hearing to be sent by certified mail to each owner of or person in interest in property to be assessed as shown by the last general tax assessment roll of the City, at least ten (10) full days before the time of said hearing, and said notice to be mailed to the addresses shown on said general tax rolls of the City.

4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF HEARING TO REVIEW PRELIMINARY SPECIAL ASSESSMENT ROLL  
CITY OF LAPEER  
COUNTY OF LAPEER, MICHIGAN

TO THE OWNERS OF ALL PROPERTY WITHIN THE FOLLOWING DESCRIBED SPECIAL ASSESSMENT DISTRICT #2009-02:

All those properties abutting North Saginaw Street from the North Line of Nepessing Street to a distance along Saginaw Street that is 300 feet northerly from the North line of Oregon Street.

TAKE NOTICE that a preliminary Special Assessment Roll has been prepared for the purpose of defraying the Special Assessment District's share of the cost of the following described public improvement:

N. Saginaw Street Reconstruction Project

Reconstruction of N. Saginaw Street from a point located 450 feet south of Nepessing Street to a point 300 feet north of Oregon Street including approximately 1,700 linear feet of Saginaw Street including sub-base, aggregate base, curb and gutter (3000'), HMA pavement, driveways and sidewalks. Existing drainage structures will be replaced along with minor storm sewer improvements. Project also includes replacing/up-sizing approximately 1,800 feet of sanitary sewer and 800 feet of water main. Aesthetic elements such as decorative lighting and brick pavers are also included for the first segment of the project.

The said preliminary Special Assessment Roll is on file for public examination with the City Clerk. Objections to said special assessment may be made in writing prior to the close of the hearing or by personal appearance at the time of the hearing to review said preliminary special assessment roll. A written protest filed prior to the close of said hearing or an oral protest made by an owner or party of interest or his or her agent at the time of said hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal. A written appeal of the special assessment may be filed with the State Tax Tribunal within 30 days after confirmation by the City Commission of the Special Assessment Roll.

TAKE FURTHER NOTICE that the City Commission and the City Assessor will meet at the City Hall, at 6:30 o'clock p.m., Local Time, on January 19, 2010 for the purpose of reviewing said preliminary special assessment roll and hearing any objections thereto.

DONNA L. CRONCE, MMC  
CITY CLERK, CITY OF LAPEER

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

MOTION CARRIED. RESOLUTION DECLARED ADOPTED

Notice of Intent Resolution: Special Assessment Bonds and General Obligation Bonds.

For: S. Main Street Sanitary Sewer Extension Project and  
N. Saginaw Street Reconstruction Project

**10 2010 01-04**

Moved by Marquardt. Seconded by Bennett.

To approve the Special Assessment/General Obligation Notice of Intent Resolution.

Special Assessment/General Obligation  
NOTICE OF INTENT RESOLUTION

City of Lapeer  
County of Lapeer, Michigan

WHEREAS, the City Commission of the City intends to authorize the issuance of special assessment bonds for the purpose of defraying part of special assessment district's share of the cost in connection with certain public improvements in the City and general obligation bonds to pay the City's cost in connection with said improvements;

AND WHEREAS, notice of intent to issue bonds must be published at least forty-five (45) days before the issuance of the same in order to comply with the requirements of Section 5(g) of Act 279, Public Acts of Michigan, 1909, as amended;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is hereby authorized and directed to publish a notice of intent to issue bonds in the Lapeer Area View, a newspaper of general circulation in the City, as a display advertisement at least one-quarter page in size.

2. Said notice of intent so published shall be in substantially the following form:

OFFICIAL NOTICE TO ELECTORS AND TAXPAYERS  
OF THE CITY OF LAPEER  
OF INTENT TO ISSUE BONDS SECURED BY THE TAXING  
POWER OF THE CITY AND RIGHT OF REFERENDUM THEREON

PLEASE TAKE NOTICE that the City Commission of the City of Lapeer, County of Lapeer, Michigan, intends to issue special assessment bonds of the City, in total principal amount of not to exceed \$450,000, for the purpose of defraying part of special assessment districts' share of the cost of local public improvements in the City and general obligation bonds in the principal amount of not to exceed \$300,000 to pay the City's share of the cost of said improvements. Said bonds shall mature serially in not to exceed twenty (20) annual installments with interest payable on the unpaid balance at a rate of not to exceed 6% per annum or such higher rate as may be permitted by law.

SOURCE OF PAYMENT OF BONDS

THE PRINCIPAL AND INTEREST OF THE SPECIAL ASSESSMENT BONDS shall be payable primarily from collections of an equal amount of special assessments and the bonds shall also pledge the limited tax full faith and credit of the City of Lapeer.

IN CASE OF THE INSUFFICIENCY OF THE SPECIAL ASSESSMENTS, THE PRINCIPAL AND INTEREST ON SAID BONDS SHALL BE PAYABLE FROM THE GENERAL FUNDS OF THE CITY LAWFULLY AVAILABLE FOR SUCH PURPOSE.

THE PRINCIPAL AND INTEREST OF THE GENERAL OBLIGATION BONDS shall be payable from the general funds of the City lawfully available for such purposes including property taxes levied within applicable statutory, charter and constitutional limitations.

RIGHT OF REFERENDUM

THE BONDS will be issued without vote of the electors unless a PETITION requesting an election on the question of issuing either or both series of bonds, signed by not less than 10% OF THE REGISTERED ELECTORS in the City, or 15,000, whichever is the lesser, is filed with the City Clerk by depositing with the City Clerk WITHIN FORTY-FIVE (45) DAYS after publication of this notice. If such a petition is filed, the bonds affected cannot be issued without an approving vote by a majority of electors voting on the question.

THIS NOTICE is given pursuant to the requirements of Section 5(g) of Act 279, Public Acts of Michigan, 1909, as amended. Further information concerning the matters set out in this notice may be secured from the City Clerk's office.

Donna L. Cronce, MMC  
City Clerk, City of Lapeer

3. The City Commission does hereby determine that the foregoing form of notice of intent to issue bonds and the manner of publication directed is adequate notice to the electors and taxpayers of the City and is well calculated to inform them of the intention of the City to issue the bonds, the purpose of the bond issues, the security for the bonds and the right of referendum of the electors with respect thereto under all of the circumstances, and that the provision of forty-five (45) days within which to file a referendum petition is necessary and adequate to insure that the City's electors may exercise their right of referendum with respect to the bonds.

4. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.  
MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

Resolution Authorizing Declaring Intent To Reimburse for Expenditures.

**11 2010 01-04**

Moved by Bennett. Seconded by Farrington.

To approve the Reimbursement Resolution which authorizes declaring the intent to reimburse the City for project expenditures from bond proceeds.

REIMBURSEMENT RESOLUTION  
City of Lapeer  
County of Lapeer, State of Michigan

WHEREAS, the City of Lapeer, County of Lapeer, State of Michigan (the "City") intends to cause to be issued and sold bonds, in one or more series, in amounts not to exceed Eight Hundred Thousand Dollars (\$800,000) for the purpose of paying the cost of acquiring and constructing certain public improvements (the "Project"); and

WHEREAS, the City intends, at this time to state its intentions to be reimbursed from proceeds of the bonds for any expenditures undertaken by the City for the Project prior to issuance of the bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

(a) As of the date hereof, the City reasonably expects to reimburse itself for the expenditures described in (b) below with proceeds of debt to be incurred by the City or on behalf of the City.

(b) The expenditures described in this paragraph (b) are for the costs of acquiring and constructing the Project together with appurtenances and attachments thereto to serve the City which were or will be paid subsequent to six months prior to the date hereof.

(c) The maximum principal amount of debt expected to be issued for the Projects, including issuance costs, is \$800,000.

(d) A reimbursement allocation of the expenditures described in (b) above with the proceeds of the borrowing described herein will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Projects are placed in service, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the debt to be issued for the Projects to reimburse the City for a capital expenditure made pursuant to this Resolution.

(e) The expenditures described in (b) above are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

(f) No proceeds of the borrowing paid to the City in reimbursement pursuant to this Resolution will be used in a manner described in Treas. Reg. § 1.150-2(b) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in (d) above.

(g) Expenditures for the Project to be reimbursed for the proceeds of the borrowing for purposes of this Resolution do not include costs for the issuance of the debt or an amount not in excess of the lesser of \$100,000 or 5 percent of the proceeds of the borrowing, or preliminary expenditure not exceeding twenty (20) percent of the issue price of the borrowing, within the meaning of Treas. Reg. § 1.150-2(f) (such preliminary expenditures include architectural, engineering, surveying, soil testing and similar costs incurred prior to construction of the Projects, but do not include land acquisition, site preparation, and similar costs incident to commencement of construction).

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

MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

## **CITY MANAGER'S REPORT**

City Manager Dale Kerbyson advised that Doug Skylis with Rowe Professional Services Company was present and could provide an overview of the N. Saginaw Street Reconstruction Project and that meetings were held with businesses along N. Saginaw Street for discussion on project. Mayor Sprague commented to those present that Doug would be available for questions at the end of the meeting.

## **CITY ATTORNEY'S REPORT**

City Attorney Representative Tim Turkelson commented on traffic stopping by the Police Department and the excellent way they are handling difficult situations.

## **UNFINISHED BUSINESS**

### **12 2010 01-04**

Mayor Sprague appointed. Moved by Robinet. Seconded by Farrington.

To appoint Carol Lyons to the Downtown Development Authority for a 4 year term ending on January 1, 2014.

MOTION CARRIED.

## **DEPARTMENTAL COMMUNICATIONS**

No reports provided.

## **MAYOR/COMMISSIONER COMMENTS**

Commissioner Bennett asked if the Fire Department could review the ability to issue a special use permit for businesses selling outdoor wood stoves and wished all a Happy New Year.

Commissioner Bostick-Tullius asked on the reasoning for changes in the drive entrances at Taco Bell and possible MDOT issues relating to traffic accessibility. City Planner Linda Jackman responded that it was the same property owner for both entrance locations, approval of Sonic entrance, MDOT issues to avoid conflict with turning vehicles into entrances, and that traffic entrance issues have been resolved.

Commissioner Marquardt wished all a Happy New Year.

Mayor Sprague commented that Doug Skylis from Rowe Professional Services would be available after the meeting for the N. Saginaw Street project, wished all a Happy New Year, continuation of growth and attraction of new business to Lapeer, and looks forward to having the best year ever for Lapeer in 2010.

## **ADJOURNMENT**

### **13 2010 01-04**

Moved by Bennett. Seconded by Marquardt.

To adjourn the meeting.

MOTION CARRIED.

The regular meeting adjourned at 7:05 p.m.

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William J. Sprague, Mayor

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Donna L. Cronce, MMC, City Clerk