

CITY OF STERLING HEIGHTS
MINUTES OF REGULAR MEETING OF CITY COUNCIL
TUESDAY, MARCH 1, 2016
IN CITY HALL

Mayor Michael C. Taylor called the meeting to order at 7:30 p.m.

Mayor Taylor led the Pledge of Allegiance to the Flag and Mark Carufel, City Clerk, gave the Invocation.

Council Members present at roll call: Deanna Koski, Joseph V. Romano, Maria G.

Schmidt, Nate Shannon, Doug Skrzyniarz, Michael C. Taylor, Barbara A. Ziarko.

Also Present: Mark D. Vanderpool, City Manager; Jeffrey Bahorski, City Attorney; Mark Carufel, City Clerk; Susan Pitrone, Recording Secretary.

APPROVAL OF AGENDA

Councilman Romano removed Consent Agenda Item E and made it Consideration Item 9.

Moved by Koski, seconded by Romano, to approve the Agenda as amended.

Yes: All. The motion carried.

REPORT FROM CITY MANAGER

Mr. Vanderpool reported that the 2016 Cultural Exchange Program takes place this Friday evening at the Senior Center from 6 pm to 10 pm. The public is welcomed and encouraged to attend this celebrated event. Well over 1,000 people attended the last few exchanges. There will be many displays of food and entertainment, always a lot of fun. The event will be held this Friday from 6 pm to 10 pm at our Senior Center.

Mr. Vanderpool reported that it is time for some seniors to start thinking about the Home Chore Program. The City of Sterling Heights' Senior Citizen Chore Program is administered by the Macomb County Community Services Agency. The program assists senior citizens with grass cutting, snow removal and minor repairs. The program is available to persons who are age 60 and older and meet income eligibility guidelines (One person: can make no more than \$36,000 to be eligible; two persons; no more than \$45,000). There are currently 66 Sterling Heights residents in the program and there is more room for additional participants. The process requires about a five minute intake over the phone and then a visit to an individual's home to fill out the necessary paperwork. Seniors who might be eligible should take interest in this. They simply have to call (586) 469-5228 to start the process. The reason this is being mentioned tonight is because in the next thirty days or so, those interested in grass cutting service should call and get this set up so they are ready to go in April or May with the services. More timely is snow removal. Residents can also qualify through this program for snow removal. While it is too late for this year, they can sign up next year. Residents can get grass cutting, snow removal services through this program. For residents who don't qualify for the program, the City has a new on-demand snow removal service and it is the same service for grass mowing too. Simply download the app from our website, fill in the necessary fields, and it does require a credit card. An average driveway can actually be cleared for about \$35 in Sterling Heights and it will be cleared within two hours upon request. It is a new program called Plowz and

Mowz that runs nationally out of New York and partners with the City of Sterling Heights. For seniors that need help with assisting downloading the app from our website, we can help seniors get connected by calling our office. There are 1,400 people that have now signed up for the service in our city. The Home Chore program also includes minor repairs that seniors can take advantage of through the program and that includes minor plumbing or electrical work at their homes, changing storms, screens, furnace filters, installing windows plastic, cleaning gutters, replacing locks, and installing smoke alarms. All that can be done through this program and in most cases at no charge to the residents. It is timely and Mr. Vanderpool encouraged seniors who qualify to make the call and get signed up for the program.

Mr. Vanderpool proudly announced that for the second year in a row, the Sterling Heights Firefighters won the Fight for Air Climb put on by the American Lung Association and held at the Detroit Renaissance Center this past Sunday. Over 1,300 people took part in the event including over 400 firefighters who competed in the 71 floor climb in their full fire gear with an air pack on their back. Sterling Heights Firefighters put together a team of 25 participants led by Captain Jason Meyers. In addition, seven wives competed as a team. This is a great camaraderie event, not only among each other but fellow Firefighters across the state who participated. Our team beat everyone throughout the state. Mr. Vanderpool commented they are all in excellent condition which is a tribute to their dedication to the job. They are very loyal and very passionate about their firework and it

shows through this very worthy cause. Mr. Vanderpool thanked them for this effort because it raises thousand of dollars for the American Lung Association.

Mr. Vanderpool reviewed what goes into deciding whether or not we should enter into a snow emergency. A snow event is not declared an emergency right away based on weather reports, as some communities do. As you recall, some cities did declare a snow emergency which means you cannot park on roads without getting a citation or towed. The City of Sterling Heights always waits until it can be verified in the field by police officers and the Department of Public Works before a snow emergency is required. That will be case this evening. What is done in borderline cases is the plows are sent into the neighborhood and plow the curb line only and then the center section melts off within a few days. That could be a possible scenario for tomorrow. Please stay tuned to our website to see if we are in a snow emergency.

Mr. Vanderpool requested that the City Council convene in closed session tonight to consider an Attorney Client Privileged and Confidential Communication.

PRESENTATION

Mr. John Berg, Interim Police Chief stated that the City of Sterling Heights is in the middle of a huge transition of the police department with 52 retirements and a backfill of new officers. Interim Police Chief John Berg proudly introduced and performed the swearing-in ceremony of the following six individuals who have been recently hired to serve the City of Sterling Heights, its business, and residents as police officers in the Sterling Heights Police Department: Officer Garrett Burton, a graduate of Grand Valley State University, Officer Luke Drejewski, a graduate of the Macomb Police Academy

who finished number one in the class, Officer Luke Dusellier, a graduate of Western Michigan University, Officer Jeffrey Elgert, a 13 year veteran in the Detroit Police Department, Officer Ryan Goddard, a graduate of Northwestern Michigan College and an employee of the City of Charlevoix Police Department, and Officer Matthew Virgadamo, who was one of the animal control officers for the last few years and put himself through the Academy last fall, did very well in our hiring process. Interim Police Chief Berg stated he was very proud and honored to introduce the six new members of the Sterling Heights Police Department. The new officers expressed their appreciation.

Mayor Taylor thanked the new officers and their families for their support.

Mayor Taylor also thanked the residents for making this possible. He stated the residents of the City of Sterling Heights overwhelmingly said they want to live in a community with professional police and fire services. He stated that the work the police does keeps the community safe. It helps our property values, our parks, and our schools. Mayor Taylor stated the new officers are joining one of the best departments in the state. Police officers make this their permanent home. Mayor Taylor stated the City of Sterling Heights is looking forward to having the new officers for the next 20 or so years protecting our residents. Mayor Taylor personally thanked them and on behalf of the City Council, asked them to stay safe, keep us safe, and wished them good luck.

ORDINANCE INTRODUCTION

1. Mr. Chris McLeod, City Planner addressed the proposed consideration of a map amendment to zoning Ordinance No. 278 to conditionally rezone property on the east side of Mound Road, south of Burroughs Avenue in Section 4 from 0-1 (Business &

Professional Office District), to R-60 (One Family Residential District): Case No. PZ15-1139, referring to the correspondence from the applicant, which indicated that the applicant has requested a postponement of the application for two weeks, to the next meeting of March 15, 2016.

Moved by Romano, seconded by Ziarko, **RESOLVED**, to postpone consideration of a map amendment to zoning Ordinance No. 278 to conditionally rezone property on the east side of Mound Road, south of Burroughs Avenue in Section 4 from 0-1 (Business & Professional Office District) to R-60 (One Family Residential District); Case No. PZ15-1139, to the March 15, 2016 meeting.

Yes: All. The motion carried.

ORDINANCE ADOPTION

2. Moved by Romano, seconded by Ziarko, **RESOLVED**, to consider the adoption of an ordinance amending Chapter 26 of the City Code to update the City's regulations governing junk yards and automobile wrecking yards.

Councilman Romano stated that this was covered at the last meeting and he is comfortable the way it is.

Mayor Taylor stated he believes there was sufficient discussion at the previous meeting.

Yes: All. The motion carried.

CONSENT AGENDA

3. Moved by Koski, seconded by Romano, **RESOLVED**, to approve the Consent Agenda, as amended:

A. To approve the minutes of the Regular Meeting of February 16, 2016 as presented;

- B. To approve payment of the bills as presented: General Fund - \$360,299.56, Water & Sewer Fund - \$26,394.35, Other Funds - \$1,036,090.17, Total Checks - \$1,260,422.14;
- C. **RESOLVED**, to award the bid for turf fertilization & weed control to Green Meadows Lawnscape, Inc., 2359 Avon Industrial Drive, Rochester Hills, MI 48309, for the period April, 2016 through November, 2017 at unit prices bid;
- D. **RESOLVED**, to approve excavation, removal, and replacement of the 66” culvert pipe servicing the Pinebrook detention pond by F.D.M. Contracting, Inc., 49156 Van Dyke, Shelby Township, MI 48317, in the amount of \$27,470 and authorize a budget amendment of \$27,470 from General Fund reserves to the Capital Project Fund;
- E. Moved to Consideration No. 9.
- F. **RESOVLED**, award the bid for transit mix to Paragon Ready Mix, Inc, 48000 Hixson, Utica MI 48317, based on unit prices bid for a one-year period.
- G. **RESOLVED**, to split the award for self-contained breathing apparatus and air cylinders to the following vendors and at the respective unit prices bid for a two-year period (Estimated two-year expenditure of \$65,980);
 - (A) To West-Shore Fire, Inc. 6620 Lake Michigan Drive, Allendale, MI 48401-0188, for SCBA Units, Scott 10-minute and 30-minute air cylinders and,
 - (B) To Argus-Hazco, 46400 Continental, Chesterfield, MI 48046; for 60-minute air cylinders.
- H. **RESOLVED**, to accept the proposal by George G. Hartman Architects, P.C. for professional architectural services in connection with parks and recreation capital

projects at a total cost of \$18,250, and authorize a budget amendment from General Fund reserves in the amount of the proposal;

- I. **RESOLVED**, to approve the contract, #15-5602, between the Michigan Department of Transportation and the City of Sterling Heights for the Dodge Park Road Reconstruction Project, Metropolitan Parkway to Utica Road, City Project \$14-254, and authorize the Mayor and City Clerk to sign the contract on behalf of the City;
- J. **RESOLVED**, to adopt the resolution authorizing issuance of not to exceed \$9,630,000 in Michigan Transportation Fund Bonds, Series 2016.

City of Sterling Heights
County of Macomb, State of Michigan

RESOLUTION AUTHORIZING ISSUANCE OF
MICHIGAN TRANSPORTATION FUND BONDS, SERIES 2016
(LIMITED TAX GENERAL OBLIGATION)

Minutes of a regular meeting of the City Council of the City of Sterling Heights, County of Macomb, State of Michigan (the "City") held on the 1st day of March, 2016, at 7:30 p.m., Eastern Standard Time.

PRESENT: Members: Koski, Romano, Schmidt, Shannon, Skrzyniarz, Taylor, Ziarko

ABSENT: Members: None

The following preamble and resolution were offered by Member Koski and supported by Member Romano:

WHEREAS, this City Council hereby determines that it is necessary to acquire and construct the road improvements described in Exhibit A attached hereto and made part hereof (the "Improvements"); and

WHEREAS, the cost of the Improvements is estimated to be Nine Million Six Hundred Thirty Thousand Dollars (\$9,630,000); and

WHEREAS, to finance the cost of the Improvements the City Council deems it necessary to borrow the sum of Nine Million Six Hundred Thirty Thousand Dollars (\$9,630,000) and issue bonds therefor as authorized by the provisions of Act 175, Public Acts of Michigan, 1952, as amended (“Act 175”); and

WHEREAS, the Improvements are in accordance with the purposes enumerated in Act 51, Public Acts of Michigan, 1951 (“Act 51”); and

WHEREAS, the revenues received by the City from the Michigan Transportation Fund (“MTF”) pursuant to Act 51 in the year preceding this contemplated borrowing are more than sufficient to comply with all the requirements specified in Section 4 of Act 175;

NOW, THEREFORE, BE IT RESOLVED:

1. Approval of Plans and Cost Estimates; Useful Life. The plans and estimates of cost of the Improvements are hereby approved and adopted. The period of usefulness of the Improvements is estimated to be not less than sixteen (16) years.
2. Authorization of Bonds; Bond Terms. The City Council hereby determines to borrow the sum of Nine Million Six Hundred Thirty Thousand Dollars (\$9,630,000) and issue bonds of the City therefor pursuant to the provisions of Act 175 (the “Bonds”), for the purpose of providing funds to pay the cost of the Improvements, including the costs incidental to the issuance, sale and delivery of the Bonds. The Bonds shall be designated MICHIGAN TRANSPORTATION FUND BONDS, SERIES 2016 (LIMITED TAX GENERAL OBLIGATION) and shall consist of bonds in fully-registered form of the denomination of \$5,000, or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered consecutively in order of registration, dated as of the date of delivery or such other date as determined by any of the Mayor, City Manager, Finance and Budget Director, or Controller (each an “Authorized Officer”) at the time of sale. The Bonds shall bear interest, mature and be payable at the times and in the manner set forth in Sections 8 and 9 hereof.

The Bonds shall be sold at public sale at a price not less than 99% or greater than 102% of the principal amount thereof.

The Bonds shall be subject to redemption prior to maturity in the manner and at the times and prices set forth in Sections 8 and 9 hereof and if term bonds are selected by the original purchaser of the Bonds, then the Bonds will be subject to mandatory redemption in accordance with the foregoing maturity schedule at par.

Interest shall be payable to the registered owner of record as of the 15th 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 City to conform to market practice in the future. The principal of the Bonds shall be payable at The Huntington National Bank, Grand Rapids, Michigan, which is hereby selected to act as the transfer agent for the Bonds (the “Transfer Agent”).

3. Execution of Bonds; Authentication; Replacement; Book-Entry-Only Form. The Bonds shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk and shall bear the actual or a facsimile of the City seal. No Bond of this series shall be valid until authenticated by an authorized signature of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser in accordance with instructions from an Authorized Officer (as hereinafter defined) upon payment of the purchase price for the Bonds. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping. The City may designate a new transfer agent by notice mailed to the registered owner of each of the Bonds at such time outstanding not less than sixty (60) days prior to any interest payment date.

The Bonds shall be issued in book-entry only form as one fully registered bond per maturity and shall be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds, and purchasers will not receive certificates representing their interest in bonds purchased. If the Bonds are issued in book-entry only form, provisions in this resolution to the contrary shall be of no force nor effect unless and until the suspension of the book-entry only system. Each Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry only form and to make such changes in the bond form at Section 8 herein within the parameters of this resolution as may be required to accomplish the foregoing.

4. 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, in 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. The date of determination of the registered owner for purposes of payment of interest as provided in this resolution may be changed by the City to conform to market practice in the future.

5. Debt Retirement Account; Security for the Bonds. To provide moneys to pay the principal of and interest on the Bonds and in accordance with the provisions of Act 175, there is hereby made an irrevocable appropriation of the amount necessary to pay the principal of and interest on the Bonds from the moneys to be derived from State-collected taxes returned to the City for highway purposes, pursuant to law. The Bonds are of equal standing and priority of said State-collected taxes with certain outstanding bonds of the City (the "Outstanding Bonds") and the City has reserved the right to issue additional bonds of equal standing and priority of lien as to said State-collected taxes with the Bonds and Outstanding Bonds within the limitations prescribed by law. The Treasurer of the City is directed, each year that any of the principal of and interest on the Bonds remains unpaid, to set aside in a separate account, to be designated 2016 MICHIGAN

TRANSPORTATION FUND BONDS DEBT RETIREMENT ACCOUNT (the “Debt Retirement Account”), sufficient moneys from revenues received during such year from the MTF pursuant to law to pay the principal of and interest on the Bonds next maturing. The Treasurer of the City is further authorized and directed, each year that any of the principal of and interest on the Bonds remains unpaid, to set aside in the Debt Retirement Account, moneys which may be transferred to the City or available to the City from other lawful sources to pay the debt service on the Bonds. The amount of the annual deposit into the Debt Retirement Account from the MTF may be reduced from year to year to the extent that other lawfully available moneys are on deposit in the Debt Retirement Account to pay the principal of and interest on the Bonds next maturing.

6. Additional Security. Pursuant to Act 175, and as additional security for the prompt payment of the principal of and interest on the Bonds, there is hereby irrevocably pledged the limited tax full faith and credit of the City, and in the event of insufficiency of funds primarily pledged to the payment thereof, the City covenants and agrees to provide for such insufficiency from such resources as are lawfully available to it, including the levy of ad valorem taxes, subject to applicable constitutional, statutory and charter tax rate limitations.

7. Use of Proceeds; Construction Account. The proceeds of the Bonds shall be used to pay the costs of issuance of the Bonds and to pay the cost of the Improvements. Upon receipt of the proceeds of sale of the Bonds the accrued interest, if any, shall be deposited in the Debt Retirement Account for the Bonds. From the proceeds of the Bonds there shall next be set aside a sum sufficient to pay the costs of issuance of the Bonds. The City Treasurer is hereby directed to open a separate depository account to be designated 2016 MICHIGAN TRANSPORTATION FUND BONDS CONSTRUCTION ACCOUNT (the “Construction Account”) into which account a sufficient amount of the proceeds of the Bonds to fund the cost of the Improvements shall be placed. The Construction Account shall be used to pay the City’s share of the cost of constructing the Improvements, including associated costs of planning, design, property acquisition, engineering, inspection and like costs which are properly capitalizable to the Improvements.

8. Bond Form. The Bonds shall be in substantially the following form subject to such changes as may be determined necessary by Bond Counsel to the City:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF MACOMB
CITY OF STERLING HEIGHTS

MICHIGAN TRANSPORTATION FUND BOND, SERIES 2016
(LIMITED TAX GENERAL OBLIGATION)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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April 1, _____, 2016

Registered Owner:

Principal Amount: _____ Dollars

The City of Sterling Heights, County of Macomb, State of Michigan (the "City"), 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, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon from the Date of Original Issue or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on October 1, 2016 and semiannually thereafter. Principal of this bond is payable at the principal office of The Huntington National Bank, Grand Rapids, Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner hereof not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the payment date as shown on the registration books of the City maintained by the Transfer Agent, by check or draft mailed to the registered owner at the registered address.

This bond is one of a series of bonds of even original issue date and like tenor, in the aggregate principal amount of \$9,630,000 issued for the purpose of defraying the cost of road improvements in the City in accordance with a resolution duly and regularly adopted by the City Council of the City on March 1, 2016, and pursuant to the provisions of Act 175, Public Acts of Michigan, 1952, as amended.

Bonds of this issue maturing in the years 2017 through 2024 shall not be subject to redemption prior to maturity. Bonds maturing in the years 2025 through 2031 shall be subject to redemption prior to maturity, at the option of the City, in such order as the City shall determine on any date on or after April 1, 2024, at par and accrued interest to the date of redemption.

[insert term bond provisions, if applicable]

In case less than the full amount of an outstanding bond is called for redemption, the transfer agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the transfer agent to redeem said bond or portion thereof.

This bond and the interest thereon are payable from the proceeds of State-collected taxes returned to the City for highway purposes pursuant to law, or in case of insufficiency of said funds, out of the general funds of the City, including collections of ad valorem taxes on taxable property which the City may be authorized to levy, subject to applicable constitutional, statutory and charter tax rate limitations, and the resolution authorizing the issue of bonds of which this is one contains an irrevocable appropriation of the amount necessary to pay the principal of and interest on the bonds of this issue from moneys derived

from such State-collected taxes so returned to the City for highway purposes which have not been theretofore specifically allocated and pledged for the payment of indebtedness. The bonds of this issue are of equal standing and priority of said State-collected taxes with certain outstanding bonds of the City (the "Outstanding Bonds") and the City has reserved the right to issue additional bonds of equal standing and priority of lien as to said State-collected taxes with the bonds of this issue and Outstanding Bonds within the limitations prescribed by law.

This bond is not a general obligation of the State of Michigan.

This bond is transferable only upon the books of the City kept for that purpose at the office of the Transfer Agent by the registered owner hereof 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 the bonds of this issue, and upon the payment of the charges, if any, therein prescribed.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

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

IN WITNESS WHEREOF, the City of Sterling Heights, County of Macomb, State of Michigan, by its City Council, has caused this bond to be signed in the name of said City with the facsimile signatures of its Mayor and its City Clerk and a facsimile of the City seal to be imprinted hereon, all as of the 1st day of March, 2016.

CITY OF STERLING HEIGHTS

By: Michael C. Taylor
Mayor

(Seal)

And:

By: Mark Carufel
City Clerk

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]

Date of Registration:

Certificate of Authentication

This bond is one of the bonds described in the within-mentioned resolution.

The Huntington National Bank
Grand Rapids, Michigan
Transfer Agent

By _____
Authorized Representative

9. Notice of Sale. The City Clerk is authorized to fix a date of sale for the Bonds and to publish a notice of sale of the Bonds in *The Bond Buyer*, New York, New York, which notice of sale shall be in substantially the following form:

\$9,630,000
CITY OF STERLING HEIGHTS
COUNTY OF MACOMB, STATE OF MICHIGAN
MICHIGAN TRANSPORTATION FUND BONDS, SERIES 2016
(LIMITED TAX GENERAL OBLIGATION)

SEALED BIDS for the purchase of the above bonds will be received at the office of Bendzinski & Co., 615 Griswold, Suite 1225, Detroit MI 48226, on _____, _____, 2016 until __:__ .m., prevailing Eastern Time, at which time and place said bids will be publicly opened and read.

FAXED BIDS: Signed bids may be submitted by fax to the offices of Bendzinski & Co. at (313) 961- 8220, provided that faxed bids must arrive before the time of sale and the bidder bears all risks of transmission failure and the GOOD FAITH DEPOSIT MUST BE MADE AND RECEIVED as described in the Section "GOOD FAITH" below.

ELECTRONIC BIDS: Electronic bids will also be received on the same date and until the same time by Bidcomp/Parity as agent of the undersigned. Further information about

Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or CLIENT SERVICES, 1359 Broadway, Second Floor, New York, New York 10010, (212) 849-5021. IF ANY PROVISION OF THIS NOTICE OF SALE SHALL CONFLICT WITH INFORMATION PROVIDED BY BIDCOMP/PARITY, AS THE APPROVED PROVIDER OF ELECTRONIC BIDDING SERVICES, THIS NOTICE SHALL CONTROL.

Bidders may choose any means or location to present bids but a bidder may not present a bid in more than one location or by more than one means.

BOND DETAILS: The bonds will be registered bonds of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, originally dated as of the date of initial delivery, numbered in order of registration, and will bear interest from their date payable on October 1, 2016, and semiannually thereafter.

The bonds will mature on the 1st day of April in each of the years, as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2017	\$520,000	2022	\$600,000	2027	\$695,000
2018	535,000	2023	620,000	2028	715,000
2019	550,000	2024	635,000	2029	740,000
2020	565,000	2025	655,000	2030	760,000
2021	580,000	2026	675,000	2031	785,000

PRIOR REDEMPTION OF BONDS: Bonds maturing in the years 2017 to 2024, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 2025 and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after April 1, 2024, at par and accrued interest to the date fixed for redemption.

In case less than the full amount of an outstanding bond is called for redemption, the transfer agent, upon presentation of the bond called for redemption, shall register, authenticate

and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the transfer agent to redeem said bond or portion thereof.

TERM BOND OPTION: The initial purchaser of the bonds may designate any one or more maturities from April 1, 2017 through the final maturity as term bonds and the consecutive maturities on or after the year 2017 which shall be aggregated in the term bonds. The amounts of the maturities which are aggregated in a designated term bond shall be subject to mandatory redemption on April 1 of the years and in the amounts set forth in the above maturity schedule at a redemption price of par, plus accrued interest to the date of mandatory redemption. Term bonds or portions thereof mandatorily redeemed shall be selected by lot. Any such designation must be made at the time bids are submitted and must be listed on the bid.

INTEREST RATE AND BIDDING DETAILS: The bonds shall bear interest at rate or rates not exceeding 5% per annum, to be fixed by the bids therefor, expressed in multiples of 1/1000 of 1%. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rates bid shall not exceed three and one-half percent (3.5%) per annum. No proposal for the purchase of less than all of the bonds or at a price less than 99% or greater than 102% of their par value will be considered.

BOOK-ENTRY ONLY: The bonds will be issued in book-entry only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the bonds. Purchase of the bonds will be made in book-entry-only form, in the denomination of \$5,000 or any multiple thereof. Purchasers will not receive certificates representing their interest in bonds purchased. It

will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the bonds.

TRANSFER AGENT AND REGISTRATION: Principal shall be payable at the principal office of The Huntington National Bank, Grand Rapids, Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner of record not less than 60 days prior to an interest payment date. Interest shall be paid by check mailed to the registered owner of record as shown on the registration books of the City as of the 15th day prior to an interest payment date. The bonds will be transferred only upon the registration books of the City kept by the transfer agent.

PURPOSE AND SECURITY: The bonds are authorized for the purpose of paying the cost of the acquisition and construction of certain road improvements in the City, including related appurtenances and attachments.

To provide moneys to pay the principal of and interest on the bonds the City has made an irrevocable appropriation of the amount necessary to pay the principal of and interest on the Bonds from the moneys to be derived from State-collected taxes returned to the City for highway purposes, pursuant to law. The bonds are of equal standing and priority of said State-collected taxes with certain outstanding bonds of the City and the City has reserved the right to issue additional bonds of equal standing and priority of lien as to said State-collected taxes with the bonds and said outstanding bonds within the limitations prescribed by law.

In the event of insufficiency of funds primarily pledged to the payment thereof, the City has covenanted and agreed to provide for such insufficiency from such resources as are

lawfully available to it, including the levy of ad valorem taxes, subject to applicable constitutional, statutory and charter tax rate limitations.

GOOD FAITH: A good faith deposit in the form of a certified or cashier's check drawn upon an incorporated bank or trust company, or wire transfer, in the amount of \$96,300 payable to the order of the Treasurer of the City will be required of the successful bidder. The successful bidder is required to submit its good faith deposit to the City as instructed by the City not later than Noon, prevailing Eastern Time, on the next business day following the sale. The good faith deposit will be applied to the purchase price of the bonds. In the event the purchaser fails to honor its accepted bid, the good faith deposit will be retained by the City. No interest shall be allowed on the good faith check. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the bonds shall be made at the closing.

AWARD OF BONDS: The bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on October 1, 2016 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to _____, 2016, in an amount equal to the price bid, excluding accrued interest. Each bidder shall state in its bid the true interest cost to the City, computed in the manner specified above.

TAX MATTERS: In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., bond counsel, under existing law, assuming compliance with certain covenants, interest on the bonds is excludable from gross income for federal income tax purposes as described in the

opinion, and the bonds and interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof. The successful bidder will be required to furnish, at delivery of the bonds, a certificate in a form acceptable to bond counsel as to the "issue price" of the bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended (the "Code"). Such certificate will include (i) for those maturities where 10% of each such maturity of the bonds has been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the bonds, the price at which the first 10% of each such maturity was sold to members of the general public, and (ii) for those maturities where 10% of such maturity has not been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the bonds, an agreement by the successful bidder to provide bond counsel with the prices at which the first 10% of each such maturity is ultimately sold to members of the general public.

"QUALIFIED TAX EXEMPT OBLIGATIONS": The City has designated the bonds as "Qualified Tax Exempt Obligations" for purposes of the deduction of interest expense by financial institutions pursuant to the Code.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, a copy of which opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C. for services rendered in connection with such approving opinion are expected to be paid from bond proceeds.

Except to the extent necessary to issue its approving opinion as to validity of the above bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

DELIVERY OF BONDS: The City will furnish bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser through DTC in New York, New York, or such other place to be agreed upon. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the bonds, will be delivered at the time of delivery of the bonds. If the bonds are not tendered for delivery by twelve o'clock noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned in which event the City shall promptly return the good faith deposit. Payment for the bonds shall be made in Federal Reserve Funds. Accrued interest to the date of delivery of the bonds shall be paid by the purchaser at the time of delivery.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to

accept delivery of and pay for the bonds in accordance with terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the bonds shall be paid for by the City; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser.

OFFICIAL STATEMENT: A preliminary Official Statement that the City deems to be final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, has been prepared by and may be obtained from Bendzinski & Co., Municipal Finance Advisors, financial advisors to the City, at the address and telephone listed under REGISTERED MUNICIPAL ADVISOR below. Bendzinski & Co., will provide the winning bidder with 100 final Official Statements within 7 business days from the date of sale to permit the purchaser to comply with Securities and Exchange Commission Rule 15c2-12. Additional copies of the Official Statement will be supplied by Bendzinski & Co., upon request and agreement by the purchaser to Bendzinski & Co., within 24 hours of the time of sale.

BOND INSURANCE AT PURCHASER'S OPTION: If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the Bonds. Any and all increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that if the City has requested and received a rating on the Bonds from a rating agency, the City shall pay the fee for the requested rating. Any other

rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE CITY.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the City has agreed to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, on or prior to the sixth month after the end of each fiscal year commencing with the fiscal year ended June 30, 2016, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement relating to the bonds, (ii) timely notice of the occurrence of certain material events with respect to the bonds and (iii) timely notice of a failure by the City to provide the required annual financial information on or before the date specified in (i) above.

REGISTERED MUNICIPAL ADVISORS: Bendzinski & Co. Municipal Finance Advisors, Detroit, MI, (the "Municipal Advisor") is a Registered Municipal Advisor in accordance with the rules of the Municipal Securities Rulemaking Board ("MSRB"). The Municipal Advisor has been retained by the City to provide certain financial advisory services relating to the planning, structuring and issuance of the Bonds. The Municipal Advisor is not engaged in the business of underwriting, trading, marketing or the distribution of securities or any other negotiable instruments. The Municipal Advisor's

duties, responsibilities and fees arise solely as a Registered Municipal Advisor to the City and it has no secondary obligation or other responsibility. Further information relating to the bonds may be obtained from Bendzinski & Co. Municipal Finance Advisors, 615 Griswold Street, Suite 1225, Detroit, MI. Telephone (313) 961-8222.

ENVELOPES containing the bids should be plainly marked "Proposal for Michigan Transportation Fund Bonds, Series 2016 (Limited Tax General Obligation)."

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Mark Carufel
City Clerk
City of Sterling Heights

10. Publication of Resolution. A copy of this resolution shall be published in full in the *C&G Publishing, Inc.* once before this resolution becomes effective.

11. Tax Covenant; Qualified Tax Exempt Obligations. 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 expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds, and to prevent the Bonds from being or becoming "private activity bonds" as that term is used in Section 141 of the Code. The Bonds are hereby designated as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Code.

12. Defeasance. 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.

13. Other Actions. Any Authorized Officer is hereby authorized and directed to execute the standard form of DTC Letter of Representations relating to the Bonds on behalf of the City. The Authorized Officers are further each authorized to do all other acts and to take all other actions

and other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds. 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 are authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, Public Acts of Michigan, 2001, as amended, 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 within the parameters described in this resolution. 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, including the Michigan Department of Treasury, to enable the sale and delivery of the Bonds as contemplated herein.

14. Award of Sale of Bonds. Any Authorized Officers is hereby authorized on behalf of the City to award the sale of the Bonds to the bidder whose bid meets the requirements of law and which produces the lowest true interest cost to the City computed in accordance with the terms of the Official Notice of Sale as published.

15. Official Statement. Each Authorized Officer is authorized to approve a preliminary and final Official Statement relating to the Bonds. Each Authorized Officer is authorized and directed to execute and deliver the Official Statement on behalf of the City. Each Authorized Officer is authorized to approve, execute, and deliver any amendments and supplements to the Official Statement necessary to assure that the statements therein are, and as of the time the Bonds are delivered to the underwriter for the Bonds will be true, and that it does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

16. Continuing Disclosure. The City agrees to enter into an undertaking for the benefit of the holders and beneficial owners of the Bonds pursuant to Rule 15c2-12 of the U.S. Securities and Exchange Commission and an Authorized Officer is authorized to execute such undertaking prior to delivery of the Bonds.

17. Bond Counsel. The law firm of Miller, Canfield, Paddock and Stone, P.L.C., Detroit, Michigan, is hereby retained to act as bond counsel for the City in connection with the issuance and sale of the Bonds.

18. Financial Advisor. The financial advisory firm of Bendzinski & Co., Detroit, Michigan, is hereby retained to act as financial consultant and advisor for the City in connection with the issuance and sale of the Bonds.

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

AYES: Members: Koski, Romano, Schmidt, Shannon, Skrzyaniarz, Taylor, Ziarko.

NAYS: Members: None

RESOLUTION DECLARED ADOPTED.

Mark Carufel

City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Sterling Heights, County of Macomb, State of Michigan, at a regular meeting held on March 1, 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.

Mark Carufel

City Clerk

EXHIBIT A

The Improvements

1. Dodge Park Road Reconstruction – Metropolitan Parkway to Utica Road
2. 15 Mile Road Resurfacing – Dequindre Road to Ryan Road
3. Ryan Road Concrete Repairs – 15 Mile Road to Metropolitan Parkway
4. 15 Mile Resurfacing – Ryan to Mound
5. 15 Mile Resurfacing – Schoenherr to past Moravian
6. M-59 Reconstruction – Hayes to M-53

K. **RESOLVED**, to adopt the resolution setting a public hearing for Tuesday, April 19, 2016 at 7:30 p.m. on the Third Amended and Restarted Local Development Finance Authority Development Plan and Tax Increment Finance Plan and directing the City Clerk to public and provide notice in accordance with Public Act 281 of 1986, as amended;

CITY OF STERLING HEIGHTS, MICHIGAN

RESOLUTION TO HOLD A PUBLIC HEARING ON THE PROPOSED THIRD AMENDED AND RESTATED DEVELOPMENT PLAN AND TAX INCREMENT FINANCE PLAN FOR THE AUTHORITY DISTRICT OF THE LOCAL DEVELOPMENT FINANCING AUTHORITY

This Resolution was made and adopted at a meeting of the City Council of the City of Sterling Heights, Macomb County, Michigan, held at the City Offices on the 1st day of March, 2016.

Members Present: Koski, Romano, Schmidt, Shannon, Skrzyniarz, Taylor, Ziarko

Members Absent: None

The following preamble and resolution was made by Member Koski, and seconded by Member Romano.

RECITALS:

At the August 19, 2008 regular meeting, the City Council (the "Council") of the City of Sterling Heights (the "City") resolved to adopt a resolution to create and provide for the operation of a Local Development Financing Authority (LDFA) for the City of Sterling Heights pursuant to and in accordance with the provisions of Act 281 of the Public Acts of the State of Michigan of 1986 (Act 281), as amended.

Act 281 requires in relevant part that "Before adoption of a resolution approving or amending a development plan or approving or amending a tax increment financing plan, the governing body shall hold a public hearing on the development plan. (MCL 125.2166(1)). At the time set for hearing, the governing body shall provide an opportunity for interested persons to be heard and shall receive and consider communications in writing with reference to the matter. The hearing shall provide the fullest opportunity for expression of opinion, for argument on the merits, and for introduction of documentary evidence pertinent to the development plan. The governing body shall make and preserve a record of the public hearing, including all data presented at that time." (MCL 125.2166 (3)).

Act 281 further requires that a notice of the public hearing conforming to the requirements of MCL 125.2166(2) be published twice in a newspaper of general circulation, and mailed by certified mail to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the development plan of the tax increment financing plan is approved or amended.

A Third Amended and Restated Development Plan and Tax Increment Finance Plan has been prepared for the purpose of reflecting the capture and use of eligible tax increment financing revenues generated from a development project within authority district to finance the business incubator and "SmartZone" activities, which is a certified technology park "SmartZone" created pursuant to and in accordance with Act 281. In order to consider and approve the amended Plan, Act 281 requires that a public hearing be held.

THEREFORE, BE IT RESOLVED THAT:

1. A public hearing shall be held before the Council on **Tuesday, April 19, 2016, at 7:30 p.m.** at the City Offices located at 40555 Utica Road, Sterling Heights, Michigan, on the proposed Third Amended and Restated Development Plan and Tax Increment Finance Plan for the authority district of the Local Development Financing Authority.
2. The City Clerk of the City of Sterling Heights shall give notice to the public, in the form attached as Exhibit A, of the public hearing by causing notice:
 - (a) To be published in the Sentry newspaper – Sterling Heights edition, a weekly newspaper of general circulation in the City of Sterling Heights, on March 16, 2016 and March 23, 2016.
 - (b) To be mailed by certified mail, return receipt requested, to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the tax increment financing plan is approved on or before April 19, 2016.

AYES: Koski, Romano, Schmidt, Shannon, Skrzyniarz, Taylor, Ziarko

NAYES: None

ABSTAINED: None

RESOLUTION DECLARED: Approved

STATE OF MICHIGAN)

COUNTY OF MACOMB) SS.

I, the undersigned, the duly qualified and acting City Clerk of the City of Sterling Heights, County of Macomb, State of Michigan, do certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Sterling Heights at a regular meeting held on the 1st day of March, 2016, the original of which resolution is on file in my office.

IN WITNESS WHEREOF, I have set my official signature, this 1st day of March, 2016.

MARK CARUFEL, City Clerk

L. **RESOLVED**, to reschedule the first regular City Council meeting for May, 2016 from Tuesday, May 3, 2016 at 7:30 p.m. to Wednesday, May 4, 2016 at 7:30 p.m. and direct the City Clerk to provide the appropriate notice as required by Michigan's Open Meetings Act.

Yes: All. The motion carried.

CONSIDERATION

4. Mr. Chris McLeod, City Planner presented a request from the applicants for a variance from our subdivision regulations, for case PSP15-0048 which is the development of the former Sunnybrook Golf Course which is now going to be the Sterling Enterprise Park. The request is for an extension beyond the 800 foot limitation for cul de sac streets within the City of Sterling Heights. The applicants are requesting a 2,900 foot cul de sac which will service the over 155 acres of developable industrial park itself. There are seven developable lots on the property, as well as two lots for storm water service. The applicants have indicated directions to the west, north and east were all explored for extensions of the roadway. To the east and north would require the crossing of the Plumbrook drain. That location would be costly and slow the project down and would require multiple reviews of the EPA and the MDEQ as well as the Macomb County Public Works Office and would most likely be cost prohibitive. Extension to the west would require crossing a railroad track. Applicants have submitted information on eight other properties with industrial roadways that exceed 800 hundred feet in the City of Sterling Heights. It should be noted that the property is 3,900 feet deep and a roadway of significant length will be necessary to service the property. The recommendation from the Planning Commission was a unanimous approval vote of 7-0. The site plan is still undergoing review. The engineering review has also commenced on this project. The petitioners, Danny Samson, Chief Development Officer, Matt Robertson, Director of Construction, and Elie Torgow, CEO of the Sterling Group Limited LLC, thanked City Council, the City Manager, the City Attorney, the Planning Department, the Engineering Department, and stated they are very grateful for the reception they received from the City

of Sterling Heights. Mr. Samson stated they feel very comfortable and confident partnering with the City of Sterling Heights and look forward to building a significant project that for many years will support the goals of the City of Sterling Heights for good development. The Sterling Group Limited LLC appreciates the opportunity of building a 155 acre industrial park. The park has significant tenants, prospect activity, and rapid deadlines, having contracts to fulfill. Mr. Samson expressed their appreciation and the opportunity. He stated they are looking forward to building a high quality park for the residents of the City of Sterling Heights, and being great corporate citizens for many years to come.

Mayor Taylor thanked the petitioners and stated they are looking forward to it as well.

Mr. Michael Lombardini thanked the Sterling Group Limited LLC for doing business with the City of Sterling Heights and is looking forward to the expansion of the industrial facilities.

Moved by Koski, seconded by Taylor, **RESOLVED**, to approve the request by the Sterling Group Limited LLC for a variance to construct a cul de sac roadway in excess of 800 feet for ingress and egress to the Sterling Enterprise Park, Case No. PSP15-0048, subject to the terms and conditions of the Notice of Variance.

Councilman Romano welcomed the Sterling Group Limited LLC to the City of Sterling Heights.

Mayor Taylor expressed his excitement about this project stating it is obviously a project that will bring revenue and jobs to the City of Sterling Heights and in addition, will support the existing manufacturing.

Mayor Taylor commented that the development is one of a kind in the Midwest and stated the City of Sterling Heights will do whatever it takes to make it a success.

Yes: All. The motion carried.

5. Mr. Michael Moore, Public Works Director presented for approval a request for proposals (RFP) for Refuse, Recyclables, and Yard Waste Collection Services. Mr. Moore stated that the current Refuse and Yard Waste Collection Contract between the City of Sterling Heights and Waste Management expires on April 30, 2016. The bids received from an invitation to bid (ITB) as approved by the City Council on November 4, 2015 were rejected at the February 16, 2016 regular meeting. The Department of Public Works and the Office of Purchasing have prepared a request for proposals (RFP) for refuse, recyclables, and yard waste disposable services as directed by the City Council action on February 16, 2016. The objective of the RFP is to secure the lowest cost attainable for the level of services the residents are accustomed to under the expiring contract, while enhancing recycling services on a voluntary basis. A proposed RFP has been prepared and a scope of services that vendors will respond to is as follows:

- A. Vendors will provide a base level of service that is consistent with the current services being provided by Waste Management of Michigan under the expiring contract, including the weekly collection of refuse in 32- gallon containers, yard waste on a seasonal basis in 32- gallon containers or brown paper bags, and white goods bulk items and Christmas trees.
- B. Under the base level of service, residents may (but are not required to) utilize a 96- or 64- gallon cart for purposes of the weekly curbside pick-up of trash and

debris. The RFP will secure pricing that the vendor would charge a resident who would like to purchase a durable 96- or 64- gallon cart assembled and delivered for weekly use. The cart will be the resident's property and carry a replacement warranty in the event of defects.

- C. The RFP also attempts to expand participation and recycling by offering residents a convenient and cost efficient way to improve the environment. Sterling Heights is likely one of the few large municipalities that does not offer its residents a city-wide curbside recycling program. Vendors will also provide a voluntary weekly single stream curbside recycling program using 96- or 64- gallon carts. Residents wishing to participate in the recycling program will be provided a 96- or 64- gallon cart. The cost of which will be included in the city's cost. This voluntary program will not be implemented until May 1, 2018 when the current subscription based bi-weekly curbside recycling program ends. Vendors will not be asked to propose a continuation of the subscription-based, bi-weekly, curbside recycling program after the current program ends. Vendors will not be asked to propose operating the City's three recycling centers, which will cease operations upon implementation of the voluntary, weekly, single-stream, curbside recycling program. The City will continue to operate the three recycling centers until the voluntary curbside recycling program is implemented.

- D. The terms of the contract accepted by the City Council will be five years; provided, however, that the City will have the right to select a contract term of six, seven, or eight years.
- E. The scope of services defined by the RFP will be for a unified program of Refuse, Recyclables, and Yard Waste Collection Services. The RFP will not be seeking alternatives.

Mr. Moore presented the scope of current level service compared to the proposed RFP level of service. If the City Council approves the RFP tonight, the timeline for the RFP process is as follows:

- March 3, 2016 – Advertisement of RFP
- March 9, 2016 – Pre-Proposal meeting
- March 17, 2016 – Proposal Due
- March 21 – March 25, 2016 – Vendor interviews
- April 5, 2016 – Award by City Council
- May 1, 2016 – New Contract Begins

Mr. Michael Lombardini commented that the public is at a major disadvantage with this motion on tonight's agenda. He stated that the first chance the community had to see the proposal was last Friday and expressed concern about mistakes in rewriting the bids. He commented on mandatory recycling and referred to the original bid specs that four members were not in favor of at the last meeting. He also referenced issues with the contract relating to the temporary storage of

garbage with other cities. He commented on interpretation of definitions within the contract.

Ms. Jazmine Early requested an explanation in reference to the rejection from the last meeting and the new proposal. In addition, she inquired about the clarity of the process and the 2018 start date of the contract.

Mr. Roth commented on the bid process, proposals, and the opportunity to make changes. He referenced Mayor Taylor and Councilman Skrzyniarz comments in the Macomb Daily regarding the issue. He stated the community does not want this and it does not make sense moving forward.

Mr. David Domzal, an attorney with Williams Acosta, expressed his concern that rebidding and changing the bid specifications might undermine the process. He stated that before launching into an RFP process for waste management, there needs to be an independent investigation into campaign financing. He applauded the City of Sterling Heights and suggested the process be reviewed.

Mr. Charles Jefferson agreed with the previous audience participant regarding campaign finance. He inquired why the City Council members changed their mind on the original bid. He also asked where residents will be able to take their recyclables if the recycling centers close.

Mr. White commented that he likes the freedom to take his recyclables to the recycling center and asked what to do with his recyclables if he's not in the program.

Mr. Tom Mashell referenced a rewards program for recycling where residents received over \$27,000 in rewards for their participation. He also addressed campaign donation concerns.

Motion by Skrzyniarz, seconded by Taylor, **RESOLVED**, to approve the request for proposals (RFP) for refuse, recyclables, and yard waste collection services.

Councilman Skrzyniarz addressed the process and stated if the RFP process was done initially, this would have been avoided. He pointed out the importance of having the best proposal to include a blending of all the best options for the City of Sterling Heights residents. In response to the attorney that spoke during audience participation, Councilman Skrzyniarz stated that all contributions are public record and welcomed anyone to go online and look at the campaign finance reports. He stated he is happy with the RFP and looks forward to seeing what is submitted.

Councilwoman Schmidt expressed her appreciation to Mr. Moore, Mr. Buhlinger, and Mr. Bahorski for all their work into the bid process and RFP. She inquired if the price from now to when the recycling program is in place in 2018, increases once the voluntary recycling at the curb commences.

Mr. Moore responded not necessarily. He stated that for subscription based curbside recycling, there is a cost to the residents but when that license expires, the cost would then become the city's cost. Residents, who wanted to, could opt-in free of charge.

Councilwoman Schmidt commented that the cost to residents at the beginning of this new contract will include the same price whether we are doing curbside recycling or not and it

was mandatory that residents use the recycling carts or bins under the voluntary curbside recycling option.

Mr. Moore responded that is correct, it will be the same price, whether curbside recycling is being done or not and carts or bins will be mandatory.

Councilwoman Schmidt is not in favor of an 8 year contract, maybe a 5 year contract with some extensions could be considered.

Councilwoman Ziarko stated that she is not in favor of the proposal. She added that she is in favor of the ITB process and happy with the results and savings in the previous bids.

She expressed her thanks to everyone. She added that she doesn't know who is picking up garbage May 1. Councilwoman Ziarko inquired if the millage rate is 1.14 mills.

In response, Mr. Vanderpool stated that the millage rate is 1.1274 mills.

Councilwoman Ziarko inquired if there will be a millage rate increase.

Mr. Vanderpool stated he cannot answer that question definitely until the proposals are submitted, the numbers are crunched, and a recommendation is made. Assuming the base bid costs come in low, with a participation rate of 15 to 20 percent in the initial years, it is likely that the savings from closing the drop-off centers would offset the increased cost of the curbside recycling program. Once the curbside participation rates increase into the 40-50 percent range, you start to get into a cost for the curbside recycling program.

Councilwoman Ziarko commented that she thought that if curbside recycling was used in the City of Sterling Heights, we would not have an increased cost. She stated that there would be an increase in cost, and that her understanding is that chances of our millage rate for refuse would be increasing too, which is a tax increase. Councilwoman Ziarko stated

that she is not in favor of an 8 year contract and would have preferred to extend the existing waste management contract for 2 years with savings. She will not be voting in favor of this item.

Councilwoman Ms. Koski addressed Mr. Moore and asked if he was liaison to the Solid Waste Commission.

Mr. Moore responded yes.

Councilwoman Koski inquired if the City of Sterling Heights received a recommendation from the Solid Waste Commission to do recycling.

Mr. Moore stated that they did recommend the previous alternative 2 which was for mandatory curbside recycling and mandatory trash carts.

Councilwoman Koski confirmed that their recommendation was to go with Alternative 2.

Councilman Shannon stressed the importance of encouraging residents to recycle in the City of Sterling Heights and the economic and environmental benefits. In addition, he commented on the possibility of a cost increase if the participation rate increases to 60-70%. He asked Mr. Moore if there is a possibility that trash would not get picked up on May 1.

In response, Mr. Moore stated that he guarantees trash will be picked up on May 1.

Councilman Shannon repeated that Mr. Moore guarantees the garbage will be picked up on May 1. He questioned the pushback against recycling and commented that there should be a goal in the City of Sterling Heights to increase participation in recycling.

Councilman Shannon stated he was very comfortable with the RFP to provide the best service for the residents of the City of Sterling Heights, and that he would be voting yes.

Mayor Taylor spoke about the process and compared it to smart shopping, looking at all options, making the best choices at the best prices, getting the best deal for the residents of the City of Sterling Heights. He stated he feels very comfortable with the process. Mayor Taylor stated that there are options if residents want to use a trash cart, they may do so but will have to pay for it. If residents do not want to use a trash cart, they do not have to take one. He expressed that he did not think the City of Sterling Heights would need the recycling centers, with curbside recycling services, and the cost savings would offset the cost of curbside recycling. He stated that he trusts that the City Council members, elected by the residents, will make the best decision once the proposals are submitted. For those residents that chose not to participate, he offered suggestions such as partnering with a neighbor for recycling items. In addressing the \$27,000 in rewards as brought up by a resident, Mayor Taylor stated there is actually a cost of approximately \$300,000 a year for the rewards program.

Councilwoman Schmidt commented that the City of Sterling Heights will be paying for curbside recycling until 2018 without receiving anything.

Mayor Taylor commented that is a misunderstanding of the proposal and that the City of Sterling Heights is not paying for curbside recycling. The cost to the City of Sterling Heights is a sliding scale depending on the number of subscribers. There will not be a millage increase as a result of this proposal unless the number of subscribers got extremely high. Mayor Taylor stated that this makes the most sense and he is comfortable with the process and will be supporting this motion.

Councilman Romano inquired how long the City of Sterling Heights has had the recycling centers.

Mr. Moore responded approximately 15 years or more.

Councilman Romano inquired if the City of Sterling Heights has ever made any money from the recycling centers.

Mr. Moore responded that the City of Sterling Heights pays for the operation of the recycling centers.

Councilman Romano commented that vendors will not be asked for a proposal to operate the recycling centers, which will cease operation upon implementation of a voluntary weekly single stream curbside recycling program. Two choices the residents have include either signing up for curbside recycling service or not recycling. Councilman Romano commented that out of 47,000 households, only 5,000 households want the service. He pointed out that people do not want it. The waste management bid is out in the open and everyone knows what was bid. The original bid was a perfect bid, it was proposed, bid, done, and everyone was in unison on. He added that all of a sudden it isn't good anymore. He stated that he will not be supporting this motion.

Mayor Taylor commented that he disagrees it was a perfect bid that everyone was in unison on. He reminded Councilman Romano that he did not vote in favor of the bid.

Mayor Taylor stated it is a great program and he is in favor of it.

Councilman Romano reiterated that people don't want the 64- gallon can. In referencing Mayor Taylor's comments, he stated that when the bid was sent out, it was unanimous and

questioned Mayor Taylor why he said it was not unanimous. He also added when the bid came back, the City Council decided to tweak it.

Councilwoman Ziarko commented that in her research on recycling, bags with a symbol are an option to bins. She inquired if this could be an option in the City of Sterling Heights as well as the bins and asked Mayor Taylor if the company requires a bin or can a bag be used.

Mayor Taylor stated that he thinks the answer is yes.

Councilwoman Koski supported Councilwoman Ziarko's suggestion and added that she would like to see a smaller 32- gallon bin be included in the RFP, along with amending it to include Councilwoman Ziarko's recommendation of a bag or smaller container.

Mayor Taylor asked Mr. Bahorski if their proposals can be included in the RFP and if the motion needs to be changed.

Mr. Bahorski responded that it will increase the cost. He stated that the motion would not need to be changed and that the RFP does allow for flexibility. The committee members representing the City of Sterling Heights will have the opportunity to address cost considerations, depending on inclusions, such as smaller bins, mechanism for senior citizens, and handicap people who struggle with the carts, etc.

Roll Call Vote: Yes: Skrzyniarz, Taylor, Koski, Shannon

 No: Ziarko, Romano, Schmidt

Motion carried 4 -3

CONSIDERATION

6. Mr. Mark Vanderpool, City Manager presented the consideration of an approval of a Memorandum of Understanding between the City of Sterling Heights and the UAW Unit 40 of Local 412 – Professional and Technical Employees. In 2015, the City launched its new website featuring a multitude of new features that enhance the City’s ability to push out critical content to businesses and residents. At the same time, a concerted effort to increase the City’s presence on social media, which could be cross-populated using content on the website was initiated. The manpower available in the Community Relations Department to dedicate to producing/managing content for the City’s website is limited and the skill set necessary to successfully discharge these job duties long-term requires someone trained and experienced in this emerging field. Asking City personnel to produce content on a regular basis, in addition to regular job duties, is simply not effective or efficient.

Mr. Vanderpool stated that to ensure that the potential of the new website is realized; City Administration approached the leadership of UAW Unit 40 of Local 412 – Professional and Technical Employees (Union) to discuss the creation of a new job classification entitled Digital Content Coordinator, with the following job duties:

- Work closely with every city department to ensure each area of the website is updated with the appropriate content, news, and information to drive the proliferation of public information and functionality on the city’s website.
- Assist in facilitating timely submission of information, profiles, and imagery from all departments on social media platforms, as well as assist in scheduling of social media posts and planning of social media campaigns and initiatives

that are creative and will help foster higher engagement and long-term attention.

- Research new and emerging technologies to ensure City of Sterling Heights utilizes all viable digital platforms in the most efficient and effective manner possible.

Mr. Vanderpool stated that the City and Union were able to reach an agreement on the material terms and conditions for adding the new Digital Content Coordinator classification to the bargaining unit. The wage scale for the new classification ranges from \$47,774 (starting) to \$59,921 (top step).

Mr. Vanderpool acknowledged and thanked the union for creating the new classification that will substantially improve the effectiveness of the new website and marketing the very best assets of the City of Sterling Heights. He thanked the City Attorney and the Human Resource Director for their hard work.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to approve the Memorandum of Understanding between the City of Sterling Heights and the UAW Unit 40 of Local 412 – Professional and Technical Employees creating the Digital Content Coordinator classification and authorize the Mayor and City Clerk to sign it on behalf of the City.

Yes: All. The motion carried.

7. Mr. Charles Jefferson inquired where the residents find out the questions asked of individuals and what answers were given for nominees.

There were no nominations for the City of Sterling Heights Board of Ordinance Appeals Panel II.

Moved by Ziarko, seconded by Taylor, **RESOLVED**, to postpone the nomination and consideration of an appointee to the Board of Ordinance Appeals Panel II to the March 15, 2016 regular City Council meeting.

Yes: All. The motion carried.

8. There were no nominations for the Economic Dev. Corp/Brownfield Auth. Committee or the Ethnic Community Committee.

Moved by Ziarko, seconded by Taylor, **RESOLVED**, to postpone the nominations and considerations of appointees to the Economic Dev. Corp/Brownfield Auth. Committee and the Ethnic Community Committee to the March 15, 2016 regular City Council Meeting.

Yes: All. The motions carried.

Moved by Ziarko, seconded by Taylor, **RESOLVED**, to appoint Eric Castiglia, to the Citizens Advisory Committee-Community Development BI Grant, to a term ending June 30, 2016 subject to the appointee meeting the qualifications set forth in Chapter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

Moved by Romano, seconded by Taylor, **RESOLVED**, to postpone the nomination and consideration of an appointee to the Beautification Commission to the March 15, 2016 regular City Council Meeting.

Yes: All. Motion carried.

9. Item E from Consent Agenda.

Moved by Romano, seconded by Schmidt, **RESOLVED**, to award the bid for the hauling and disposal of street sweepings to Dale's Disposal, Inc., 31475 Utica Road, Fraser, MI 48026, at the unit prices bid for a two-year period.

Councilman Romano inquired if Mr. Buhlinger reviewed both bids and whose decision it was to select Dale's Disposal, Inc.

Mr. Buhlinger responded that both bids were reviewed by the Department of Public Works and the Purchasing Department. Dale's Disposal, Inc. was selected as low bidder meeting the specifications.

Mr. Buhlinger stated the specifications that were included had been reviewed prior to it being advertised. Two vendors were on point with the specifications requested. Of the two vendors, the low bid is the recommendation by administration.

Councilman Romano thanked Mr. Buhlinger for his explanation.

Yes: All. The motion carried.

COMMUNICATIONS FROM CITIZENS

Mr. Roth – City Council voting gridlock, would like to see the City Council more representative of the residents.

Mayor Taylor commented that there were 19 items voted on at tonight's meeting, all but one were unanimous.

Councilman Romano commented on the rules and regulations on this portion of the agenda of not responding.

Mayor Taylor commented he was out of order.

(Unidentified) – Street lights at Lakeside Mall on South Cover Drive are not working.

Mr. Norm Simpson – Recycling.

Mayor Taylor reminded the residents that any items can be addressed at this time except items that were on the agenda today.

Mr. Charles Jefferson – recycling, hiring process, volunteer committee positions, and personally addressing City Council members.

Ms. Jazmine Early thanked the City Council members who appointed her to her position. Freedom of speech. Inquired when the meeting date to discuss upcoming projects, i.e. Parks and Recreation Community Center. Inquired if the millage be increased to pay for building maintenance expenses. Requested Mr. Vanderpool address her concerns.

Ms. Stacey Charley- civil asset seizure in Sterling Heights. Asking for direction.

Mayor Taylor advised her the City Manager and City Attorney will follow-up with her.

REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Mr. Vanderpool addressed the comments on the Parks and Recreation Community Center pointing out that there will be some public engagement sessions, and other initiatives soon. This information will come back to City Council in about 90 days or so once the due diligence work has been completed.

Mayor Taylor stated that Mr. Vanderpool will look into her situation with the City Attorney and Police Chief tomorrow.

Mayor Taylor confirmed with the City Attorney that there is one item in closed session tonight.

UNFINISHED BUSINESS

There is no Unfinished Business discussed.

NEW BUSINESS

Councilwoman Ziarko inquired if different posters of the specs for the new Parks and Recreation Community Center can be displayed at the Sterling Heights Cultural Exchange Friday night.

Mr. Vanderpool stated that it was a fantastic idea and will have a station set up along with someone to answer any questions. Mr. Vanderpool will also be in attendance.

Councilman Romano apologized to Ms. Early for his comments at the last meeting.

CLOSED SESSION PERMITTED UNDER ACT 267 OF 1976

Motion by Ziarko, seconded by Schmidt, **RESOLVED**, to recess to closed session as permitted under Act 267 of 1976.

Roll Call Vote: Yes: Ziarko, Romano, Skrzyniarz, Taylor, , Koski, Schmidt, Shannon.

Motion carried 7-0.

The meeting was recessed at 9:38 p.m.

ADJOURN

Moved by Ziarko, seconded by Schmidt, to adjourn the meeting.

Yes: All. The motion carried.

The meeting was adjourned at 10:41 p.m.

MARK CARUFEL, City Clerk