



Agenda

City Commission Business Meeting

City of Kalamazoo

Monday, July 6, 2020

7:00 PM

Electronic Meeting

A. CALL TO ORDER/ROLL CALL

B. OPENING CEREMONY

1. Invocation: Michelle Scheidt, Fetzer Institute
2. Pledge of Allegiance
3. Introduction of Guests
4. Proclamations

C. ADOPTION OF FORMAL AGENDA

D. COMMUNICATIONS

E. PUBLIC HEARINGS

1. Public hearing to receive comments on an ORDINANCE to temporarily remove the required minimum off-street parking requirements of Section 50-7.2 *Required Vehicular Off-Street Parking Spaces* through November 1, 2020 to allow existing parking areas to be used for outdoor sales, dining, and gathering in the wake of COVID-19. **(Action: Motion to adopt the ordinance)**

F. PUBLIC COMMENTS

G. CONSENT AGENDA

(Action: Motion to approve items "1-15" and authorize the City Manager to sign all documents on behalf of the City)

1. Approval of a professional service agreement with Prein & Newhof for construction engineering services for the Richland Township Water Main Loops – Contract 3 in the amount of \$136,300.
2. Approval of a one-year contract extension with GHD for environmental consulting services for the Cork St. Landfill in the amount of \$146,425.
3. Approval of a professional service agreement with Prein & Newhof for the Cooper Township Water Main and Service Installations and Glendale Boulevard Water Main Replacement – Contract 2 in the amount of \$273,000.
4. Approval of a professional service agreement with Prein & Newhof for construction engineering services for the Cooper Township Water Main and Service Installations – Contract 1 in the amount of \$364,000.
5. Approval of a professional service agreement with Prein & Newhof for engineering services for the 2020 Eastside Non-Copper Replacement Project in the amount of \$441,500.
6. Approval a contract with Payjay Excavating Inc. for the Richland Township Water Main Loops – Contract 3, in the amount of \$1,674,825.
7. Approval a contract with USA Earthworks, LLC for the Cooper Township Water Main and Services Installation and Glendale Boulevard Water Main Replacement – Contract 2, in the amount of \$3,390,105.
8. Approval of a contract with Lounsbury Excavating for the Cooper Township Water Main and Services Installation – Contract 1 in the amount of \$4,599,651.
9. Approval of a contract with CB&I Storage Tank Solutions, LLC for the construction of the Super High Pressure District Elevated Water Storage Tank in the amount of \$4,899,500.
10. Approval of a contract with SWT Excavating, Inc. for the Eastside Non-Copper Water Service Replacement Project in the amount of \$8,606,594.30.
11. Adoption of a RESOLUTION from the Michigan Department of Licensing and Regulatory Affairs, Liquor Control Commission recommending approval of a On-Premises Tasting Room License for The Roche' Collection, LLC at 1311 Portage Street, Unit 1327.

12. Adoption of a RESOLUTION designating the polling facility location for Precinct 6 to be used during the election on August 4, 2020 and at each election thereafter.
13. Approval of a request from the Kalamazoo Growlers to publicly display fireworks at Homer Stryker Field on July 24 and 31, and August 7, 15, and 28, 2020.
14. Approval of the Mayor's appointments to the following boards and commissions:
 - the appointment of **Jamauri Bogan** to the Economic Development Corporation and Brownfield Redevelopment Authority Boards of Directors for a term expiring on March 31, 2026.
 - the appointment of **Lucas Middleton** to the Economic Development Corporation and Brownfield Redevelopment Authority Boards of Directors for a term expiring on March 31, 2026.
 - the appointment of **Karla Ragainis** to the Historic District Commission for a term expiring on January 1, 2023.
 - the appointment of **Eric Stucky** to the Historic District Commission for a term expiring on January 1, 2023.
 - the appointment of **Fred Edison** to the Historic Preservation Commission for a term expiring on March 31, 2023.
 - the appointment of **Katherine White** to the Historic Preservation Commission for a term expiring on March 31, 2023.
15. Approval and acceptance of a public utility easement agreement with Richard N. Schmitt for property at 3127 Lovers Lane (Parcel #06-26-373-008) in the amount of \$830.

H. REGULAR AGENDA

1. Adoption of an ORDINANCE Authorizing Water Supply System Revenue Bonds, Series 2020B in an amount not to exceed \$23,500,000. **(Action: Motion to adopt the ordinance)**

2. Adoption of a RESOLUTION for the issuance of General Obligation Limited Tax Bonds in an amount not to exceed \$14.5 million (\$11,750,000 for the Project and \$2,750,000 for the refunding), for the purpose of financing FY 2020 capital projects and refunding the City's 2010 Capital Improvement Bonds and 2011 Building Authority Refunding Bonds. **(Action: Motion to adopt the resolution)**

I. REPORTS AND LEGISLATION

1. City Manager's Report

J. UNFINISHED BUSINESS

K. POLICY ITEMS

L. NEW BUSINESS

M. COMMISSIONER COMMENTS

N. CLOSED SESSION

O. ADJOURNMENT

ADDITIONAL INFORMATION

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Agendas for the regular meetings of the Kalamazoo City Commission are available on the Internet at: www.kalamazoocity.org

The Kalamazoo City Commission business meetings are held on the first and third Mondays at 7:00 p.m. and are shown live on the Public Media Network (channel 190 for Charter customers, channel 99 for U-Verse customers). Business meetings are also web streamed live on the City's YouTube channel at <https://goo.gl/Q6DW37>. Public Media Network rebroadcasts these meetings on Tuesdays at 8:00 a.m., Wednesdays, at 1:00 a.m., and Thursdays at 3:00 p.m. Recorded meetings are also available on-demand on the YouTube channel.



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **E.1.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Community Planning and Economic Development Director
Prepared by: Christina Anderson, City Planner

DATE: July 6, 2020

SUBJECT: Ordinance to Temporarily Remove the Required Minimum Off-Street Parking Requirements of 50-7.2 Required Vehicular Off-Street Parking Spaces

RECOMMENDATION:

It is recommended that the City Commission adopt an ordinance to temporarily remove the required minimum off-street parking requirements of Section 50-7.2 *Required Vehicular Off-Street Parking Spaces* through November 1, 2020 to allow existing parking areas to be used for outdoor sales, dining, and gathering in the wake of COVID-19.

BACKGROUND:

Staff recommends approval of this emergency action in the wake of COVID-19. The intent of this action is to allow businesses to use existing off-street parking spaces without facing zoning violation penalties. These businesses would use the space for dining, outdoor sales, and gathering space in order to increase their capacity as the economy begins to re-open.

This is being proposed as an emergency measure in the wake of COVID-19. Understanding that social distancing will be a part of our world for at least the near future, this Ordinance provides the flexibility for businesses to use their existing, off-street parking spaces for outdoor dining, outdoor sales, and gathering without being in violation of the City's Zoning Code, specifically 50-7.2 Required Vehicular Off Street Parking Spaces. The Ordinance provides this flexibility through November 1, 2020.

As an emergency measure, this Ordinance can be proposed and approved at one meeting pursuant to Section 13 of the City Charter.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Inviting Public Places - Vibrant streets, exceptional parks, and welcoming activities.



Economic Vitality - A supportive infrastructure for growing businesses and stabilizing the local economy for the benefit of all.

This action is designed to give Kalamazoo businesses flexibility as they re-open this summer. It takes social distancing into consideration allowing businesses to increase capacity in a way that meets the State required distancing and acknowledges that many residents will be hesitant to be in settings that feel crowded.

COMMUNITY ENGAGEMENT:

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

This emergency action is in alignment with the work Downtown Kalamazoo Partnership is doing with the City to give businesses more flexibility and capacity. We hear that businesses are facing challenges in balancing the social distance requirement and making it worthwhile to be open with reduced capacity. This measure is in response to this new reality.

FISCAL IMPACT:

This action is intended to support Kalamazoo businesses as they re-open post COVID-19. Allowing expanded capacity out-of-doors could have an impact on a businesses' ability to remain open after months of closure and an incremental re-opening. Fiscal impact to the City of Kalamazoo will be minimal.

**CITY OF KALAMAZOO, MICHIGAN
ORDINANCE NO. _____**

**AN EMERGENCY ORDINANCE TO SUSPEND PROVISIONS OF CHAPTER 50
“ZONING” OF THE CITY OF KALAMAZOO CODE OF ORDINANCES ADDRESSING
OFF-STREET PARKING REQUIREMENTS AND PERMITTING THE USE OF ON-
STREET PARKING SPACES FOR COMMERCIAL USE**

THE CITY OF KALAMAZOO ORDAINS:

Section 1. Declaration of Emergency. The novel coronavirus (COVID-19) is a respiratory disease that can result in serious illness or death and is easily spread from person to person. Since March 10, 2020 the Governor has issued a series of Executive Orders in an effort to suppress the spread of COVID-19 which required businesses to temporarily close or significantly curtail operations in an effort to limit in-person contact to the fullest extent possible; as a result of these efforts, retail and service businesses have suffered a loss of revenue, with small businesses being particularly hard hit. And the success of such businesses is a key component of an economically vibrant City and in particular its downtown, it is determined by the City Commission that immediate action is required to address the challenges of retail and services businesses in reopening for business while continuing to observe social distancing protocols to prevent the spread of COVID-19. Therefore, this ordinance is enacted pursuant to Section 13 of the City Charter as an emergency measure for the preservation of the public peace, property, health or safety.

Section 2. Suspension of Ordinance. Section 50-7.2 of Chapter 50, “Zoning” requiring a minimum number of off-street parking spaces for Commercial Eating & Drinking Establishments and for Retail/Service business is suspended until November 1, 2020 at 3:00 am. Additionally, such parking spaces are permitted to be used of by the adjacent business for outdoor sales, dining or gathering of patrons to meet social distancing requirements and guidelines to prevent the spread of COVID-19.

Section 3. On-Street Parking. The City Manager, the Traffic Engineer, and the Traffic Board are also authorized to permit and make available the use of on-street parking spaces to permit their use by adjacent businesses for outdoor sales, dining or gathering of patrons to meet social distancing requirements and guidelines to prevent the spread of COVID-19. Provided, however, the commercial use of on-street parking spaces as permitted by this section will be revoked if the permittee is non-compliant with any conditions imposed for the use of on-street parking spaces or if in the judgement of the Traffic Engineer or Traffic Board the use of on-street parking spaces should be curtailed due to traffic safety concerns.

Section 4. Construction. Nothing in this emergency ordinance permits the sale or service of alcoholic beverages as a principal or accessory use by a business except as permitted and regulated by Michigan Liquor Control Commission rules.

Section 5. Severability. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, said portion shall be deemed a separate, distinct and independent provision

and such holding shall not affect the validity and enforceability of the remaining portions of this ordinance.

Section 6. Effective Date. Pursuant to Section 13(a) of the City Charter, this ordinance, by affirmative vote by 5 members of the City Commission shall take effect immediately and remain in effect until November 1, 2020 at 3:00 am at which time it shall sunset.

CERTIFICATE

The foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Kalamazoo at a regular meeting held on _____, 2020. Public notice was given, and the meeting was conducted in full compliance with the Open Meetings Act, (PA 267, 1976, M.C.L. § 15.261 et. seq). Minutes of the meeting will be available as required by the Act, and the ordinance was duly recorded, posted and authenticated by the Mayor and City Clerk as required by the Charter of said City.

David F. Anderson, Mayor

Scott A. Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.1.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Eric T. Sajtar, PE, Senior Civil Engineer – Water Resources

DATE: July 6, 2020

SUBJECT: Professional Service Agreement with Prein & Newhof for Construction Engineering Services for the Richland Township Water Main Loops – Contract 3 (Bid Ref# 92500-002.0.9)

RECOMMENDATION:

It is recommended that the City Commission approve a Professional Service Agreement with Prein & Newhof for construction engineering services for the Richland Township Water Main Loops – Contract 3, in the amount of \$136,300.00.

BACKGROUND:

The City of Kalamazoo identified the Richland Township Water Main Project as a priority for the 2020 and 2021 construction seasons. Currently, some properties in the project area are provided water via residential potable wells that have been impacted by perfluorinated chemicals (PFAS) at concentrations greater than the Michigan Department of Environment, Great Lakes and Energy (EGLE) Health Advisory Level. This project will involve providing residents in the project area with safe municipal drinking water by installing new water main and service connections in the impacted area.

Water Resources staff has been working with Prein & Newhof on the project design and reached out to Prein & Newhof, for a proposal for construction engineering services. Prein & Newhof is a prequalified consultant for water engineering. Prein & Newhof provided a quote of \$136,300.00 for the requested services. Prein & Newhof has performed well on similar projects for the City in the past and Water Resources recommends approval of the purchase order.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Water Distribution System Operation and Maintenance

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

Discussion: Providing safe drinking water to the community is a high priority for the City of Kalamazoo.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Discussion:

Water Resources has been working with EGLE on this project through the DWRF application process and EGLE permitting process. Impacted residents will be notified prior to construction via media release regarding the project and associated traffic detours. Impacted residents will also be contacted to coordinate installation of new water services and the abandonment of contaminated potable wells.

FISCAL IMPACT:

The budget for this project was included in the Water Fund 2020 Adopted Capital Improvement Plan, Project #wat0500379 in 2020 and 2021 for a total of \$1,884,300. Funding is provided via the Drinking Water Revolving Fund Bond which is administered by EGLE. Future debt service associated with this bond will be paid from the Water Fund operating budget.



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.3.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Eric T. Sajtar, PE, Senior Civil Engineer – Water Resources

DATE: July 6, 2020

SUBJECT: Professional Service Agreement with Prein & Newhof for Construction Engineering Services for the Cooper Township Water Main and Service Installations and Glendale Boulevard Water Main Replacement – Contract 2 (Bid Ref# 92500-002.0.9)

RECOMMENDATION:

It is recommended that City Commission approve a Professional Service Agreement with Prein & Newhof for the Cooper Township Water Main and Service Installations and Glendale Boulevard Water Main Replacement – Contract 2, in the amount of \$273,000.00.

BACKGROUND:

The City of Kalamazoo identified the Cooper Township Water Main Project as a priority for the 2020 and 2021 construction seasons. Currently, some properties in the project area are provided water via residential potable wells that have been impacted by perfluorinated chemicals (PFAS) at concentrations greater than the Michigan Department of Environment, Great Lakes and Energy (EGLE) Health Advisory Level. This project will involve providing residents in the project area with safe municipal drinking water by installing new water main and service connections in the impacted area. Additionally, Contract 2 includes constructing new water main and services in Cooper Township and replacing water main on Glendale Boulevard in Parchment due to the detection of elevated concentrations of lead in water samples collected from the section of water main that will be replaced.

Water Resources staff has been working with Prein&Newhof on the project design and reached out to Prein&Newhof, for a proposal for construction engineering services. Prein&Newhof is a prequalified consultant for water engineering. Prein&Newhof provided a quote of \$273,000.00 for the requested services. Prein&Newhof has performed well on similar projects for the City in the past and Water Resources recommends approval of the purchase order.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Water Distribution System Operation and Maintenance

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

Discussion: Providing safe drinking water to the community is a high priority for the City of Kalamazoo.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Discussion:

Water Resources has been working with EGLE on this project through the DWRF application process and EGLE permitting process. Impacted residents will be notified prior to construction via media release regarding the project and associated traffic detours. Impacted residents will also be contacted to coordinate installation of new water services and the abandonment of contaminated potable wells.

FISCAL IMPACT:

The budget for this project was included in the Water Fund 2020 Adopted Capital Improvement Plan, Project #wat0500359 in 2020 and 2021 for a total of \$10,448,625. Funding is provided via the Drinking Water Revolving Fund Bond which is administered by EGLE. Future debt service associated with this bond will be paid from the Water Fund operating budget.



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.4.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Eric T. Sajtar, PE, Senior Civil Engineer – Water Resources

DATE: July 6, 2020

SUBJECT: Professional Service Agreement with Prein & Newhof for Construction Engineering Services for the Cooper Township Water Main and Service Installations – Contract 1 (Bid Ref# 92500-002.0.9)

RECOMMENDATION:

It is recommended that City Commission approve a Professional Service Agreement with Prein & Newhof for construction engineering services for the Cooper Township Water Main and Service Installations – Contract 1, in the amount of \$364,000.00.

BACKGROUND:

The City of Kalamazoo identified the Cooper Township Water Main Project as a priority for the 2020 and 2021 construction seasons. Currently, some properties in the project area are provided water via residential potable wells that have been impacted by perfluorinated chemicals (PFAS) at concentrations greater than the Michigan Department of Environment, Great Lakes and Energy (EGLE) Health Advisory Level. This project will involve providing residents in the project area with safe municipal drinking water by installing new water main and service connections in the impacted area.

Water Resources staff has been working with Prein & Newhof on the project design and reached out to Prein & Newhof, for a proposal for construction engineering services. Prein & Newhof is a prequalified consultant for water engineering. Prein & Newhof provided a quote of \$364,000.00 for the requested services. Prein & Newhof has performed well on similar projects for the City in the past and Water Resources recommends approval of the purchase order.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Water Distribution System Operation and Maintenance

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

Discussion: Providing safe drinking water for the community is a high priority for the City of Kalamazoo.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Discussion:

Water Resources has been working with EGLE on this project through the DWRF application process and EGLE permitting process. Impacted residents will be notified prior to construction via media release regarding the project and associated traffic detours. Impacted residents will also be contacted to coordinate installation of new water services and the abandonment of contaminated potable wells.

FISCAL IMPACT:

The budget for this project was included in the Water Fund 2020 Adopted Capital Improvement Plan, Project #wat0500359 in 2020 and 2021 for a total of \$10,448,625. Funding is provided via the Drinking Water Revolving Fund Bond which is administered by EGLE. Future debt service associated with this bond will be paid from the Water Fund operating budget.



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.5.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Anna C. Crandall, EIT, Senior Civil Engineer - Water Resources

DATE: July 6, 2020

SUBJECT: Professional Service Agreement with Prein & Newhof for Engineering Services for 2020 Eastside Non-Copper Replacement Project (Bid Ref# 92500-002.0.9)

RECOMMENDATION:

It is recommended that the City Commission approve a Professional Service Agreement with Prein & Newhof for Engineering Services for 2020 Eastside Non-Copper Replacement Project in the amount of \$441,500.00.
Bid Ref# 92500-002.0.9

BACKGROUND:

The City of Kalamazoo Public Services Department has routinely replaced lead services. Starting in 2017, an increased effort was dedicated to the removal of non-copper services in the water system, replacing over 500 non-copper services on future road projects inside the City of Kalamazoo as well as Kalamazoo Township. In 2018, 558 non-copper services were replaced; 504 services were replaced in 2019. With the increase in number of replacements to be done, it has been necessary to hire outside contractors for construction engineering services.

The Water Resources Division requested a quote from Prein & Newhof for professional services related to construction engineering of the outside contractual lead service replacement work. The Eastside Non-Copper Service Replacement Project is being funded by Drinking Water Revolving Fund (DWRP) and approximately 1,150 houses are in the project to have their service line inspected and replaced with copper if the existing service is non-copper. Prein & Newhof provided a quote of \$441,500.00 for the construction engineering work. Prein & Newhof performed the same work last year, and Water Resources was very pleased with the results. Water Resources recommends approval of the contract.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):

Service Line Repair and Replacement – Repair and Replacement of Service lines that provide water to the home, business, etc.

New Water Main & Service Inspection - Inspection of new water mains and service connections.

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

Discussion: The City of Kalamazoo's program to replace non-copper water service lines has been aggressive for the last years and is projected to remain so until all have been replaced in the system.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The budget for this project was included in the Water Fund 2020 Adopted Capital Improvement Plan, Project #wat0600459 in 2020 and 2021 for a total of \$9,528,585. Funding is provided via the Drinking Water Revolving Fund Bond which is administered by EGLE. Future debt service associated with this bond will be paid from the Water Fund operating budget.



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.6.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Eric T. Sajtar PE, Senior Civil Engineer – Water Resources

DATE: July 6, 2020

SUBJECT: Contract with Payjay Excavating Inc. for the Richland Township Water Main Loops – Contract 3 (Bid Ref# 91244-009.0)

RECOMMENDATION:

It is recommended that the City Commission approve a contract with Payjay Excavating Inc. for the Richland Township Water Main Loops – Contract 3, in the amount of \$1,674,825.00.

BACKGROUND:

The City of Kalamazoo identified the Richland Township Water Main Project as a priority for the 2020 and 2021 construction seasons. Currently, some properties in the project area are provided water via residential potable wells that have been impacted by perfluorinated chemicals (PFAS) at concentrations greater than the Michigan Department of Environment, Great Lakes and Energy (EGLE) Health Advisory Level. This project will involve providing residents in the project area with safe municipal drinking water by installing new water main and service connections in the impacted area.

Bids were opened for the project on June 25, 2020. Four bids were received, with Pajay Excavating, Inc. being the low responsive bidder. Pajay Excavating, Inc. has performed similar work in the past and Public Services recommends approval of this contract.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Water Distribution System Operation and Maintenance

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

Discussion: Providing safe drinking water for the community is a high priority for the City of Kalamazoo.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Engagement/Communication Tools

Water Resources has been working with the Michigan Department of Environment, Great Lakes and Energy (EGLE) on this project through the Drinking Water Revolving Fund (DWRf) application process and EGLE permitting process. Impacted residents will be notified prior to construction via media release regarding the project and associated traffic detours. Impacted residents will also be contacted to coordinate installation of new water services and the abandonment of contaminated potable wells.

FISCAL IMPACT:

The budget for this project was included in the Water Fund 2020 Adopted Capital Improvement Plan, Project #wat0500379 in 2020 and 2021 for a total of \$1,884,300. Funding is provided via the Drinking Water Revolving Fund Bond which is administered by EGLE. Future debt service associated with this bond will be paid from the Water Fund operating budget.



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.7.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Eric T. Sajtar PE, Senior Civil Engineer – Water Resources

DATE: July 6, 2020

SUBJECT: Contract with USA Earthworks, LLC for the Cooper Township Water Main and Services Installation and Glendale Boulevard Water Main Replacement – Contract 2 (Bid Ref# 91244-008.0)

RECOMMENDATION:

It is recommended that the City Commission approve a contract with USA Earthworks, LLC for the Cooper Township Water Main and Services Installation and Glendale Boulevard Water Main Replacement – Contract 2, in the amount of \$3,390,105.00.

BACKGROUND:

The City of Kalamazoo identified the Cooper Township Water Main Project as a priority for the 2020 and 2021 construction seasons. Currently, some properties in the project area are provided water via residential potable wells that have been impacted by perfluorinated chemicals (PFAS) at concentrations greater than the Michigan Department of Environment, Great Lakes and Energy (EGLE) Health Advisory Level. This project will involve providing residents in the project area with safe municipal drinking water by installing new water main and service connections in the impacted area.

This project was split into two contracts during design (Contract 1 and Contract 2) in an effort to expedite construction and provide safe drinking water to residents faster. Contract 1 includes constructing new water main and services in Cooper Township only, while Contract 2 includes constructing new water main and services in Cooper Township and replacing water main on Glendale Boulevard in Parchment due to the detection of elevated concentrations of lead in water samples collected from the section of water main that will be replaced. This memo is for Contract 2 (Cooper Township and Glendale Boulevard).

Bids were opened for the project on June 24, 2020. Seven bids were received, with USA

Earthworks, LLC being the low responsive bidder. USA Earthworks, LLC has performed similar work in the past and Public Services recommends approval of this contract.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Water Distribution System Operation and Maintenance

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

Discussion: Providing safe drinking water for the community is a high priority for the City of Kalamazoo.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Discussion: Water Resources has been working with EGLE on this project through the DWRF application process and EGLE permitting process. Impacted residents will be notified prior to construction via media release regarding the project and associated traffic detours. Impacted residents will also be contacted to coordinate installation of new water services and the abandonment of contaminated potable wells.

FISCAL IMPACT:

The budget for this project was included in the Water Fund 2020 Adopted Capital Improvement Plan, Project #wat0500359 Cooper Township Water Mains in 2020 and 2021 for a total of \$10,448,625, and project #wat0500343 Glendale Water Main in 2021 for \$838,200. Funding is provided via the Drinking Water Revolving Fund Bond which is administered by EGLE. Future debt service associated with this bond will be paid from the Water Fund operating budget.

The projected cost allocations of this contract by project is as follows:

wat0500359 Cooper Township Water Mains	\$2,551,905
wat0500343 Glendale Water Main	\$ 838,200



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.8.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Eric T. Sajtar, PE, Senior Civil Engineer - Water Resources

DATE: July 6, 2020

SUBJECT: Contract with Lounsbury Excavating for the Cooper Township Water Main and Services Installation – Contract 1 (Bid Ref# 91244-007.0)

RECOMMENDATION:

It is recommended that the City Commission approve a Contract with Lounsbury Excavating for the Cooper Township Water Main and Services Installation – Contract 1, in the amount of \$4,599,651.00.

BACKGROUND:

The City of Kalamazoo identified the Cooper Township Water Main Project as a priority for the 2020 and 2021 construction seasons. Currently, some properties in the project area are provided water via residential potable wells that have been impacted by perfluorinated chemicals (PFAS) at concentrations greater than the Michigan Department of Environment, Great Lakes and Energy (EGLE) Health Advisory Level. This project will involve providing residents in the project area with safe municipal drinking water by installing new water main and service connections in the impacted area.

This project was split into two contracts during design (Contract 1 and Contract 2) in an effort to expedite construction and provide safe drinking water to residents faster. Contract 1 includes constructing new water main and services in Cooper Township only, while Contract 2 includes constructing new water main and services in Cooper Township and replacing water main on Glendale Boulevard in Parchment due to the detection of elevated concentrations of lead in water samples collected from the section of water main that will be replaced. This memo is for Contract 1 (Cooper Township only).

Bids were opened for the project on June 22, 2020. Five bids were received, with Lounsbury Excavating, Inc. being the low responsive bidder. Lounsbury Excavating, Inc. has performed similar work in the past and Public Services recommends approval of this contract.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Water Distribution System Operation and Maintenance

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

Discussion: Providing safe drinking water for the community is a high priority for the City of Kalamazoo.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Engagement/Communication Tools

Water Resources has been working with EGLE on this project through the DWRF application process and EGLE permitting process. Impacted residents will be notified prior to construction via media release regarding the project and associated traffic detours. Impacted residents will also be contacted to coordinate installation of new water services and the abandonment of contaminated potable wells.

FISCAL IMPACT:

The budget for this project was included in the Water Fund 2020 Adopted Capital Improvement Plan, Project #wat0500359 in 2020 and 2021 for a total of \$10,448,625. Funding is provided via the Drinking Water Revolving Fund Bond which is administered by EGLE. Future debt service associated with this bond will be paid from the Water Fund operating budget.



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.9.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Eric T. Sajtar PE, Senior Civil Engineer – Water Resources

DATE: July 6, 2020

SUBJECT: Contract with CB&I Storage Tank Solutions, LLC for Construction of the Super High Pressure District Elevated Water Storage Tank (Bid Ref# 90900-005.0)

RECOMMENDATION:

It is recommended that the City Commission approve a contract with CB&I Storage Tank Solutions, LLC for the construction of the Super High Pressure District Elevated Water Storage Tank in the amount of \$4,899,500.00.

BACKGROUND:

The City of Kalamazoo identified the construction of the Super High Pressure District Elevated Water Storage Tank as a priority for 2020. Construction of the elevated water storage tank will resolve an approximate 1.5 million gallon deficit of elevated water storage in the Super High Pressure District and will assist in stabilizing system pressures south of I-94. Completion of this project is necessary to improve the reliability of the City's water distribution system.

Bids were opened for the project on June 16, 2020. Two bids were received, with CB&I Storage Tank Solutions, LLC being the low responsive bidder. CB&I Storage Tank Solutions, LLC has performed similar work in the past and Public Services recommends approval of this contract.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Water Distribution System Operation and Maintenance

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

Discussion: Providing safe drinking water for the community is a high priority for the City of Kalamazoo.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Discussion:

Water Resources has been working with Texas Township, OHM Advisors and the Michigan Department of Environment, Great Lakes and Energy on this project. Impacted residents will be notified prior to construction via media release regarding the project and associated traffic detours.

FISCAL IMPACT:

The budget for the project was included in the Water Fund 2020 Adopted Capital Improvement plan, project #wat0200080 in 2020 and 2021 for a total of \$6,000,000. This project is funded by Water Revenue bonds, previously approved by the City Commission.

The projected cost of this contract by year is as follows:

FY 2020 \$3,456,678.86

FY 2021 \$2,500,000.00



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.10.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Anna C. Crandall, EIT, Senior Civil Engineer- Water Resources

DATE: July 6, 2020

SUBJECT: Contract with SWT Excavating, Inc. for the Eastside Non-Copper Water Service Replacement Project (Bid Ref# 91244-006.0)

RECOMMENDATION:

It is recommended that the City Commission approve a contract with SWT Excavating, Inc. for the Eastside Non-Copper Water Service Replacement Project, in the amount of \$8,606,594.30.

BACKGROUND:

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) has recommended that all existing lead service lines be replaced. Each year, EGLE requests applications for projects to receive Drinking Water Revolving Fund (DWRf) funding, which includes low interest rate loans, with the possibility for partial or full forgiveness. Public Services applied for DWRf funding for the Eastside Non-Copper Replacement Project where approximately 1,150 houses with non-copper services or services with undefined material have been identified for replacement.

Bids were opened for the project on June 18, 2020. Three bids were received, with SWT Excavating, Inc. being the low responsive bidder. SWT Excavating, Inc. has performed similar work in the past and Public Services recommends them for this contract.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):

Service Line Repair and Replacement – Repair and Replacement of Service lines that provide water to the home, business, etc.

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

Discussion: Providing safe drinking water to the community is a high priority to the City of Kalamazoo.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Discussion:

Letters will be sent to customers to notify them of the upcoming project. As the contractor is getting ready to schedule with customers in specific areas, door hangers will be delivered to notify them that it is time to schedule their inspection and/or replacement.

FISCAL IMPACT:

The budget for this project was included in the Water Fund 2020 Adopted Capital Improvement Plan, Project #wat0600459 in 2020 and 2021 for a total of \$9,528,585. Funding is provided via the Drinking Water Revolving Fund Bond which is administered by EGLE. Future debt service associated with this bond will be paid from the Water Fund operating budget.



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.11.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Director, Community Planning and Development Department
Prepared by: Antonio Mitchell, Community Investment Manager

DATE: July 6, 2020

SUBJECT: Local approval of a On-Premises Tasting Room License for The Roche' Collection, LLC to be located at 1311 Portage Street, Unit 1327

RECOMMENDATION:

Is recommended that the City Commission adopt a RESOLUTION from the Michigan Department of Licensing and Regulatory Affairs, Liquor Control Commission (MLCC) recommending approval of a On-Premises Tasting Room License for The Roche' Collection, LLC at 1311 Portage Street, Unit 1327.

BACKGROUND:

The Michigan Legislature created a new series of liquor licenses for tasting rooms, including the On-Premises Tasting Room License. This license is issued to a manufacturer that holds a Wine Maker, Small Wine Maker, Brandy Manufacturer, Distiller, and/or Small Distiller license and allows the business to operate an approved tasting room.

The Roche' Collection, LLC is a women and minority owned business created in 2019 as a micro premium winery operation for the City of Kalamazoo. The winery will produce the following four varietals: Concord, Fruit, Moscato, and Rose'. The majority of the wine will be sold out of the new tasting room at 131 Portage Street location. The organization will create additional distribution sales to high-end restaurants, regional and local retailers and wine shops. The Roche' Collection will provide promotional events at the tasting room intended to bring customers to the winery for fun, non-commercial activities. These small events will include bottling events, food pairing, tasting events, home wine making seminars, and barrel tastings. The Roche' Collection is providing the Edison Neighborhood Washington Square a contemporary, delicious and luxury wine experience in the heart of the community.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Economic Vitality - A supportive infrastructure for growing businesses and stabilizing the local economy for the benefit of all.



Shared Prosperity - Abundant opportunities for all people to prosper

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

There is no fiscal impact associated with this recommendation.

LIQUOR LICENSE LOCAL APPROVAL APPLICATION

City of Kalamazoo
Office of the City Clerk
241 West South Street
Kalamazoo, MI 49007

(Please Print)

APPLICANT INFORMATION (The entity to be licensed as named in *Part 1 – Applicant Information* on MLCC forms)

Applicant Name(s) The Roche Collection LLC Nicole Triplett
Business Address 1627 S Burdick St
City Kalamazoo State MI Zip Code 49001 Business Phone _____
Business E-mail nictrip28@yahoo.com

FACILITY INFORMATION (the "address to be licensed" as indicated in *Part 1 – Applicant Information* on MLCC forms)

Address to be Licensed 1311 Portage Rd unit 1327
Real Property Parcel Number 06-23-320-202
Advertised Facility Name The Roche Collection "Twine" Urban Winery
Square footage of area where the license will be utilized: 1132

TYPE OF LICENSE/PERMIT

On-Premises:

- ☐ Banquet Facility Permit
- ☐ Class C License issued under MCL 436.1521a(1)(a)
- ☐ Club License
- ☐ Continuing Care Retirement Center License
- ☐ Outdoor Service Area on City Property
- ☐ Resort License Type: _____
- ☐ Transfer Class C/Tavern to G1/G2
- ☐ Transfer Tavern to Class C

Manufacturing:

- ☐ Brewpub (add-on to Class C license)
- ☒ On-Premises Tasting Room Permit
- ☐ Off-Premises Tasting Room Permit
- ☐ Joint Off-Premises Tasting Room Permit

CONTACT INFORMATION [the primary point(s) of contact for this application]

Name nicole Triplett Title: Owner
Address 1627 S Burdick St City Kalamazoo State MI Zip Code 49001
Phone 269-578-3241 E-mail nictrip28@yahoo.com
☐ I am a consultant/attorney. Name of company/firm: _____

Name _____ Title: _____
Address _____ City _____ State _____ Zip Code _____
Phone _____ E-mail _____
☐ I am a consultant/attorney. Name of company/firm: _____

ATTACHMENTS

Please attach the following as separate documents to this application:

1. A copy of your completed MLCC application for the appropriate license/permit. Include all pages except for the credit card authorization form. Please omit/redact/conceal Social Security Numbers.
2. An 11" x 17" diagram of the proposed licensed facility showing the entire structure, premises, and grounds, and in particular the specific areas where the license is to be utilized (including outdoor service areas). The diagram should show the location of all entrances/exits and the location of emergency lighting and signage.

Please complete the following certifications:

- ☒ The applicant is not in default to the City for any property tax, special assessment, utility charges, fines, fees or other financial obligation owed to the City.
- ☒ The hiring and public accommodation practices of the proposed licensed facility conforms to the City's anti-discrimination ordinance provisions.
- ☒ I understand that a technical code inspection of the proposed licensed facility is required prior to a recommendation being made to the City Commission. I understand that a request for this inspection must be made through the Community Planning and Economic Development Department, and a separate fee will be assessed.

I hereby certify under the penalty of perjury that the statements made in this application, including all attachments thereto, are true. I further certify that I am an officer, director, or managerial employee of the applicant or a person who holds a direct or indirect ownership interest in the applicant.

Applicant Signature:  Date: 6/22/18

Name (printed): Nicole Triplett Position: Owner

For Office Use Only

APPLICATION RECEIPT – CITY CLERK'S OFFICE

Application received by: _____ Date received: _____

Fee paid: \$ _____ Date: _____

City Clerk's approval: _____ Date: _____

License/permit number: _____



Local Government Approval For On-Premises Tasting Room Permit
(Authorized by MCL 436.1536)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new On-Premises Tasting Room Permit application.

Instructions for Local Legislative Body:

- Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a _____ meeting of the _____ council/board
(regular or special) (township, city, village)
called to order by _____ on _____ at _____
the following resolution was offered: (date) (time)
Moved by _____ and supported by _____
that the application from _____
(name of applicant - if a corporation or limited liability company, please state the company name)

for a **NEW ON-PREMISES TASTING ROOM PERMIT**

to be located at: _____

It is the consensus of this body that it _____ this application be considered for
(recommends/does not recommend)
approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the _____
council/board at a _____ meeting held on _____ (township, city, village)
(regular or special) (date)

Print Name of Clerk

Signature of Clerk

Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.

Please return this completed form along with any corresponding documents to:

Michigan Liquor Control Commission

Mailing address: P.O. Box 30005, Lansing, MI 48909

Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933

Fax to: 517-763-0059



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.12.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: Scott A. Borling, City Clerk

DATE: July 6, 2020

SUBJECT: Resolution Designating Polling Facility Location

RECOMMENDATION:

It is recommended that the City Commission adopt a RESOLUTION designating the polling facility location for Precinct 6 to be used during the election on August 4, 2020 and at each election thereafter.

BACKGROUND:

Michigan Election Law (MCL 168.662) requires the legislative body of each city to designate and prescribe the places for holding an election in the city and to provide suitable polling places for each precinct located in the city for use at each election. The statute prohibits the legislative body from moving polling locations within 60 days of an election, "unless necessary because a polling place has been damaged, destroyed, or rendered inaccessible or unusable as a polling place." At this time there is a polling facility that has been rendered unusable by the the COVID19 pandemic and must be moved.

Because of the COVID19 pandemic many businesses and non-profit organizations have been forced to close or have closed voluntarily due to safety concerns. Even when facilities have reopened to the public it has been with limited hours and a focus on core services and the safety of the organization's members, customers, and constituents. In support of this focus and to limit risk, some organizations and businesses are not allowing outside organizations to use their facilities. This is the case with Friendship Village, the current polling facility for Precinct 6.

The current polling facility for Precinct 6 is in the Kiva at Friendship Village, a senior living community. The City Clerk's Office has been in contact with Friendship Village about using the Kiva (a community space) for the August and November elections. The management at Friendship Village recognizes that having a polling place at its facility is a service to its residents. However, their first commitment is to residents' safety. Because many of the residents at Friendship Village are in the high-risk category for contracting Coronavirus, Friendship

Village has told the City its facility cannot be used as a polling location for the remaining elections in 2020. As a result, staff has been looking for a new location.

As Election Division staff considered various facilities and locations, the following factors were taken into consideration: the size and layout of the voting areas; the availability of parking spaces; the proximity of polling facilities to the voters being served; and accessibility of the voting areas within the facilities, especially for individuals with disabilities. Based on these criteria, staff have found a suitable new location for Precinct 6 at the Kalamazoo RESA West Campus, located at 4606 Croyden Avenue. This site has ample parking, a suitable interior space, and is located in a prominent location (the corner of Drake Road and Croyden Avenue) only two minutes from Friendship Village. KRESA has agreed to the use of it's facility for the upcoming election.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):

715 Election Administration - Administering all federal, state, and local elections for residents of the City of Kalamazoo; includes hiring poll workers, testing voting equipment, processing absentee ballot requests; packing precinct supplies, managing precinct activities on Election Day, and delivering results.

Strategic Goal Impact:



Strength Through Diversity- an inclusive city where everyone feels at home

Discussion

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Discussion: Michigan Election Law places requirements on polling facilities that greatly limit the types of facilities that can be considered. In addition, the administrative and practical requirements for polling facilities (adequate parking and interior space, enough working electrical outlets, etc.) result in few options for many precincts - and this is before any consideration of property owners' willingness to host a voting precinct. In short, the legal and administrative requirements for polling facilities result in too few options to give the community a choice in the matter.

Engagement/Communication Tools

This change will be communicated to affected voters in the following ways. First, the Election Division will send each affected voter a new Voter Identification Card that highlights the polling location change. Second, for the August 4th election, signs will be posted at Friendship Village directing voters to their new polling facility. Finally, the City's website will be updated so that precinct maps, driving directions, and street guides contain current information.

Because many of the residents of Friendship Village are registered to vote in Precinct 6, Election Division staff will be working closely with the staff at Friendship Village to communicate the polling location change and to ensure residents know their voting options.

FISCAL IMPACT:

Noticing Costs

If the changes to polling facilities are approved, the voters in Precinct 6 will be sent new Voter ID Cards, at a cost of approximately \$1,000. The funds for this expense are available in the Election Division's FY2020 Budget.

Future Costs

None

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. 20-

**A RESOLUTION DESIGNATING THE POLLING FACILITY LOCATION FOR
PRECINCT 6 TO BE USED DURING THE AUGUST 4, 2020 ELECTION AND FOR ALL
ELECTIONS HELD IN THE CITY OF KALAMAZOO THEREAFTER**

Minutes of a regular meeting of the City Commission of the City of Kalamazoo held on July 6, 2020, at 7:00 o'clock p.m., local time, and conducted electronically in conformity with Governor Whitmer's Executive Order No. 2020-129 (COVID-19).

PRESENT, Commissioners:

ABSENT, Commissioners:

WHEREAS, the COVID19 pandemic has rendered the Precinct 6 polling location at Friendship Village unusable as a polling location for the foreseeable future,

THEREFORE, BE IT RESOLVED, that the Kalamazoo City Commission hereby designates the Kalamazoo RESA West Campus, located at 4606 Croyden Avenue, as the polling facility for voting precinct 6 for the election to be held August 4, 2020 and at each election held in the City thereafter.

The above resolution was offered by _____ and supported by _____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on July 6, 2020. Public notice was given and the meeting was conducted in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as temporarily modified by Governor Whitmer's Executive Order No. 2020-129 (COVID-19). Minutes of the meeting will be available as required by said Act.

Scott A. Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.13.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: Scott A. Borling, City Clerk

DATE: July 6, 2020

SUBJECT: Kalamazoo Growlers Fireworks Request

RECOMMENDATION:

It is recommended that the City Commission approve a request from the Kalamazoo Growlers to publicly display fireworks at Homer Stryker Field on July 24 and 31, and August 7, 15, and 28, 2020.

BACKGROUND:

Pursuant to State law, the Kalamazoo Growlers, through its pyrotechnic operator, have submitted an application for a permit to publicly display fireworks at Homer Stryker Field, located at 251 Mills Street. The Department of Public Safety has reviewed the request, and Fire Marshal Jim Williams has endorsed the application. Also, the required insurance certificate has been provided naming the City of Kalamazoo as additionally insured by the pyrotechnic operator.

In 2016, the Growlers changed their fireworks displays to mainly 1.4 consumer fire works - comets and mines that have a nice light show without the height and firepower of a true 1.3 commercial shell. In fact, these shows meet the requirements to be held as inside displays and are safer and less noisy than traditional displays using the larger shells. Fire Marshal Williams has indicated he will not approve any fireworks for this venue larger than what was used in 2016.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):

0011 Licenses and Permits - The City Clerk's Office issues 13 miscellaneous permits that regulate specific businesses and activities. This program also includes the issuance of permits to non-profit organizations for hanging banners on the South Westnedge Avenue pedestrian overpass.

Strategic Goal Impact:



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

There is no fiscal impact associated with this request.



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.14.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: Scott A. Borling, City Clerk

DATE: July 6, 2020

SUBJECT: Mayor's Appointments to Boards and Commissions

RECOMMENDATION:

It is requested and recommended that the City Commission approve the Mayor's appointments to the following boards and commissions:

- the appointment of **Jamauri Bogan** to the Economic Development Corporation and Brownfield Redevelopment Authority Boards of Directors for a term expiring on March 31, 2026.
- the appointment of **Lucas Middleton** to the Economic Development Corporation and Brownfield Redevelopment Authority Boards of Directors for a term expiring on March 31, 2026.
- the appointment of **Karla Ragainis** to the Historic District Commission for a term expiring on January 1, 2023.
- the appointment of **Eric Stucky** to the Historic District Commission for a term expiring on January 1, 2023.
- the appointment of **Fred Edison** to the Historic Preservation Commission for a term expiring on March 31, 2023.
- the appointment of **Katherine White** to the Historic Preservation Commission for a term expiring on March 31, 2023.

BACKGROUND:

City ordinance and state law establish that the Mayor appoints members to the Economic Development Corporation/Brownfield Redevelopment Authority Board (EDC/BRA), the

Historic District Commission (HDC), and the Historic Preservation Commission (HPC). After reviewing the recently submitted Nomination Reports from these boards and commissions the Mayor has appointed Jamauri Bogan and Lucas Middleton to the EDC/BRA; Karla Ragainis and Eric Stucky to the HDC; and Fred Edison and Katherine White to the HPC. Mayor Anderson is now requesting City Commission approval of these appointments as required by ordinance. The attached Nomination Reports describe the nominees' qualifications.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program:

Board and Commission Support - The City Clerk's Office maintains the official meeting minutes, organizational documents, and membership records of the citizen boards, committees and commissions established by the City Commission. the Clerk's Office coordinates the process for appointing members to these boards.

This program/project has a high degree of impact on the following Strategic Goal(s):



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

Discussion

Ensuring that City boards and commissions have qualified members who are duly appointed has a significant impact on the "Insights and Analysis" and "Organizational Principles" subgoals under the Good Governance strategic goal.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Consult (two-way conversation) – the community will have a chance to react to the project/recommendation through two-way conversation.

Discussion: applicants for appointment to City boards and commissions are nominated by the respective boards and commissions, with the approval of those nominations taking place at open meetings where the public has a chance to give input.

FISCAL IMPACT:

There is no fiscal impact associated with this appointment.

INTER-OFFICE MEMO

To: Brownfield Redevelopment Authority Board Members

From: Rebekah Kik, Director of Community Planning & Economic Development
Prepared by: Jamie McCarthy, Sustainable Development Coordinator

Date: June 2, 2020

Subject: Recommendation of new appointments to the Economic Development Corporation and Brownfield Redevelopment Authority Board

BACKGROUND

In March 2020 the terms of two current directors of the Economic Development Corporation (EDC) and Brownfield Redevelopment Authority (BRA) Board expired. Both directors have served two consecutive terms and according to the board bylaws cannot extend for additional terms.

The EDC/BRA Board formed a committee to review board applications and conduct interviews to recommend to the Mayor two new appointments to the board. In March the committee interviewed three qualified candidates and selected two that meet all the requirements of the board's bylaws and City Commission rules, including:

- Candidates must be residents of the City of Kalamazoo to keep the board balance of 50% or greater members residing in the City
- Candidates must not be currently serving on any other City public boards
- Candidates' professional expertise helps to diversify the make-up of the board

RECOMMENDATION

The EDC/BRA Board recommends to the Mayor the appointment of Jamauri Bogan and Lucas Middleton to serve on the EDC/BRA boards.

Jamauri Bogan is a recent graduate of Western Michigan University with a master's in business administration. He is CEO of Bogan Developments and Managing Partner of Nekton Investments, both of which are focused on increasing residential housing opportunities in Kalamazoo. During his interview, Mr. Bogan was passionate about Kalamazoo and particularly interested in increasing housing affordability, retaining college graduates in the community after graduation, and assisting with redevelopment projects as a community benefit.

Lucas Middleton is a real estate attorney and recent transplant to Kalamazoo. He works at Title Check, a local title company and is active in the Kalamazoo County Bar Association's young professionals committee. During his interview Mr. Middleton expressed an interest in contributing to the community through service on the EDC/BRA board and getting more involved with redevelopment in the community beyond his professional role.



Advisory Boards and Commissions Appointee Nomination Report

City of Kalamazoo

RECOMMENDATION

The Historic District Commission (HDC) recommends that the Mayor approve the appointment of Karla Ragainis and Eric Stucky for their first full terms through December 31, 2022.

SPECIAL REQUIREMENTS FOR THIS POSITION

All Historic District Commissioners are required by ordinance to have “a clearly demonstrated interest in or knowledge of historic preservation.”

SELECTION PROCESS

Applicants Considered

Three applications were received including these two plus one from Cliff Locke. Mr. Locke withdrew his application.

Interview Process and Final Recommendation

The commission interviewed both applicants at the February 18th meeting. When the meeting began, the commission had one opening to replace Grant Fletcher, who was term-limited. During the meeting commissioner B.J. Shell asked to retire to accommodate the appointment of what the commission unanimously believed to be excellent applicants.

NOMINEE QUALIFICATIONS

Dual Board Memberships

Neither Mr. Stucky nor Ms. Ragainis are currently serving on any other city board or commission.

Residency

Mr. Stucky lives at 317 West Cedar in the Vine neighborhood. Ms. Ragainis lives at 2235 Cameron in the Edison neighborhood.

Term Limits

This would be a first appointment to the HDC for both Karla Ragainis and Eric Stucky. At the end of this term on December 31, 2022 they would be eligible for one re-appointment to an additional term.

Training, Experience, Education and Skills

Mr. Stucky has worked on historic homes, including his own - he will bring technical expertise to the commission relating to historic and modern materials. Ms. Ragainis is a Kalamazoo native with a deep interest in Kalamazoo history.

Contribution to Diversity

Mr. Stucky and Ms. Ragainis are both white. Mr. Stucky is 35-44 years old and Ms. Ragainis is 45-54 years old.

NOMINATION RATIONALE

The Commission recommends the appointments of Mr. Stucky and Ms. Ragainis based on their interest and knowledge of practical preservation issues and enthusiasm for preservation.

CITY CLERK'S CERTIFICATION

The nominees' qualifications regarding dual board memberships, residency, and term limits have been reviewed and verified by the City Clerk's Office.

Scott A. Borling, City Clerk



Advisory Boards and Commissions Appointee Nomination Report

City of Kalamazoo

July 29, 2020

RECOMMENDATION

The Historic Preservation Commission (HPC) recommends that the Mayor approve the appointment of Katherine White and Fred Edison to the Historic Preservation Commission. This would be the first full term for both and would expire on March 31, 2023.

SPECIAL REQUIREMENTS FOR THEIR POSITION

This position requires no special skills or training beyond the ordinance requirement of “a demonstrated interest in or knowledge of the history of Kalamazoo and/or the principles of historic preservation.”

SELECTION PROCESS

Applicants Considered

The City Clerk had one other active application for the Historic Preservation Commission from Cliff Locke. Mr. Locke withdrew his application.

Interview Process and Final Recommendation

The Historic Preservation Commission reviewed the application of Mr. Edison at their meeting on Tuesday, February 11, 2020 and interviewed both applicants. At that same meeting, the commission voted unanimously to recommend both appointments to the mayor.

NOMINEE QUALIFICATIONS

Dual Board Memberships

Neither Ms. White nor Mr. Edison are not currently serving on any other city advisory boards.

Residency

Mr. Edison lives at 435 Stuart Avenue in the city of Kalamazoo in the Stuart neighborhood. Ms. White lives at 2004 Benjamin in the city of Kalamazoo in the Winchell neighborhood.

Term Limits

This would be the first appointment to the HPC for both applicants. At the end of this term on March 31, 2023, they would both be eligible for re-appointment for one more term.

Training, Experience, Education and Skills

Mr. Edison is the owner and operator of the Festive West Bed and breakfast in the Stuart Area Local and National Register Historic District and is serving on the board of the Stuart Area Restoration Association. Ms. White has a masters degree in historic preservation.

Contribution To Diversity

Both Ms. White and Mr. Edison are of European American descent.

NOMINATION RATIONALE

The Commission chose these candidates based on their past and present involvement with history, historic preservation and enthusiasm for preservation.

CITY CLERK'S CERTIFICATION

The nominee's qualifications regarding dual board memberships, residency, and term limits have been reviewed and verified by the City Clerk's Office.

Scott A. Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **G.15.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Anthony Ladd, PE, Acting Public Works Division Manager

DATE: July 6, 2020

SUBJECT: Public Utility Easement at 3127 Lovers Lane (Parcel #06-26-373-008)

RECOMMENDATION:

It is recommended that the City Commission approve and accept the easement with Richard N. Schmitt for Parcel #06-26-373-008 in the amount of \$830.00; and authorize the City Manager to sign all related and necessary documents regarding the acquisition of the easement.

BACKGROUND:

As part of the Cork Street Construction project, the City shall use the easement for the purpose of constructing, operating, maintaining, repairing, improving or replacing pipelines, connections, lead and all other components of the City's storm water system, other public utilities systems and sidewalk placed within the easement area.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Records Management Tracking, review, and over-site of department records.

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Discussion:

Staff have worked closely with the property owner.

FISCAL IMPACT:

The City of Kalamazoo will incur the cost of recording the easement with the Clerk-Register for the easement.

PUBLIC UTILITY EASEMENT

THIS AGREEMENT dated _____, 2019 Richard N. Schmitt, whose address is 3807 Songbird Lane, Kalamazoo, MI 49008 ("Grantor") and the City of Kalamazoo, a Michigan municipal corporation, whose address is 241 West South Street, Kalamazoo, Michigan 49007 ("City").

Recitals:

- A. Grantor owns a certain parcel of real estate at 3127 Lovers Lane, Kalamazoo, Michigan 49001 in the City and County of Kalamazoo, which is more specifically identified by tax ID# 06-26-373-008 ("Property").
- B. The City desires to obtain an easement on, over, under, across and through a portion of the Property in conjunction with the Cork Street Reconstruction project.
- C. Grantor agrees to grant to the City a utility easement on, over, under, across and through a portion of the Property for the purposes as set forth in this Agreement.

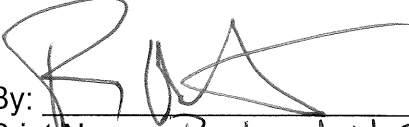
THEREFORE, in consideration of the mutual covenants, conditions and agreements set forth below, the parties agree as follows:

- 1. Grant of Easement. In consideration of Eight Hundred Thirty Dollars (\$830), subject to all existing liens, covenants, conditions, restrictions, leaseholds, right of use, easements, and recorded matters (collectively, the "Permitted Exceptions"), Grantor grants and conveys to the City a non-exclusive, permanent easement and right-of-way on, over, under, across and through a 222 square foot portion of the Property as described in the attached Exhibit A ("Easement Area").
- 2. Purpose of the Easement. The City shall use the Easement Area for the purpose of constructing, operating, maintaining, repairing, improving or replacing the pipelines, connections, leads and all other components of the city's storm water system, other public utilities systems, and sidewalk placed within the Easement Area. ("Utility Activities"). No utility improvements shall be placed above ground.
- 3. Access to the Easement Area. The City shall have the right of ingress and egress to the Easement Area from the public right-of-way, and if necessary

through the Property, in order to carry out the Utility Activities, subject to the following conditions:

- a) Perform the Utility Activities without cost to Grantor and in such a manner as not to unreasonably interfere with Grantor's use of or the business operations conducted on the Property.
 - b) Restore the Easement Area without cost to Grantor after completion of the Utility Activities to the same condition as existed before any such utility activity was performed. If necessary, such restoration shall include restoring any curbs, sidewalks, existing utilities, re-grading and reseeding any lawn areas disturbed by the City's activities.
 - c) Exercise reasonable care to protect any fixed structures, landscaping and other improvements on the Property during the performance of Utility Activities.
 - d) Grantor agrees not to construct any buildings or permanent structures on or within the Easement Area, unless prior written approval is given by the City for a particular building or structure.
4. Warranty. Subject to the Permitted Exceptions, Grantor covenants with the City that (i) Grantor is lawfully seized and possessed of the Property, (ii) that such parcel is free from all encumbrances that would adversely affect the City's rights under this Agreement, and (iii) that Grantor will warrant and defend its title to the Property and the easement granted to the City against the lawful claims of all persons.
5. Authority of Representatives. The parties represent and warrant to the other that this Agreement and its execution by the individual(s) on its behalf are authorized by members or governing body of that party.
6. Binding Effect. This Easement Agreement shall bind the parties, and their successors and assigns. The parties do not intend to confer any benefits on any person, firm, corporation, or other entity which is not party to this Agreement.
7. Amendment. This Easement Agreement shall not be amended or modified except in writing signed by both parties.
8. Governing Law. This Agreement is governed under applicable Michigan law. Both parties had the assistance of legal counsel in the negotiation and preparation of this Agreement. Therefore, no construction or ambiguity of this Agreement is resolved against either party.
9. Reserved Rights. Grantor reserves the right to use the Easement Area for any purpose not expressly prohibited by this instrument, and that does not unreasonably interfere with the easement rights granted hereunder. Subject to

Richard N. Schmitt

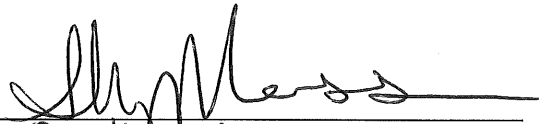
By: 

Print Name: Richard N. Schmitt

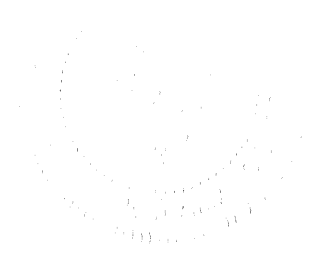
Title: _____

STATE OF Michigan }
COUNTY OF Kalamazoo) ss.

The foregoing instrument was acknowledged before me on June 8th, 2020 by Richard N. Schmitt, as Richard N. Schmitt or an authorized representative, on behalf of the Grantor.


Shelby Moss Notary Public
My commission expires: 10-12-2025

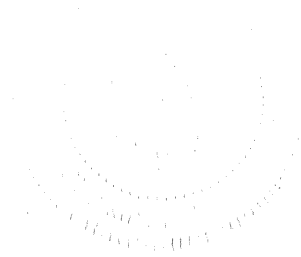
SHELBY MOSS
Notary Public, State of Michigan
County of Kalamazoo
My Commission Expires 10/12/2025



Section 3 above, Grantor shall not have any right to use the balance of the Property.

[Signature Page to Follow]

Notary Public
for the State of California
My Commission Expires 12/31/2011



CITY OF KALAMAZOO

By: _____
James K. Ritsema

Its: City Manager

STATE OF MICHIGAN }
 } ss.
COUNTY OF KALAMAZOO }

The foregoing instrument was acknowledged before me on _____,
20__ by James K. Ritsema for and on behalf of the Grantee, the City of Kalamazoo, its
City Manager.

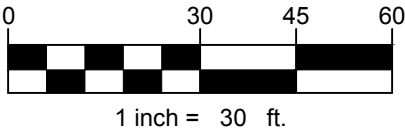
Notary Public
Kalamazoo County, Michigan
My commission expires: _____

Prepared By & After Recording Return To:
Clyde J. Robinson
The Office of City Attorney
241 W. South St.
Kalamazoo, MI 49007
(269) 337-8185

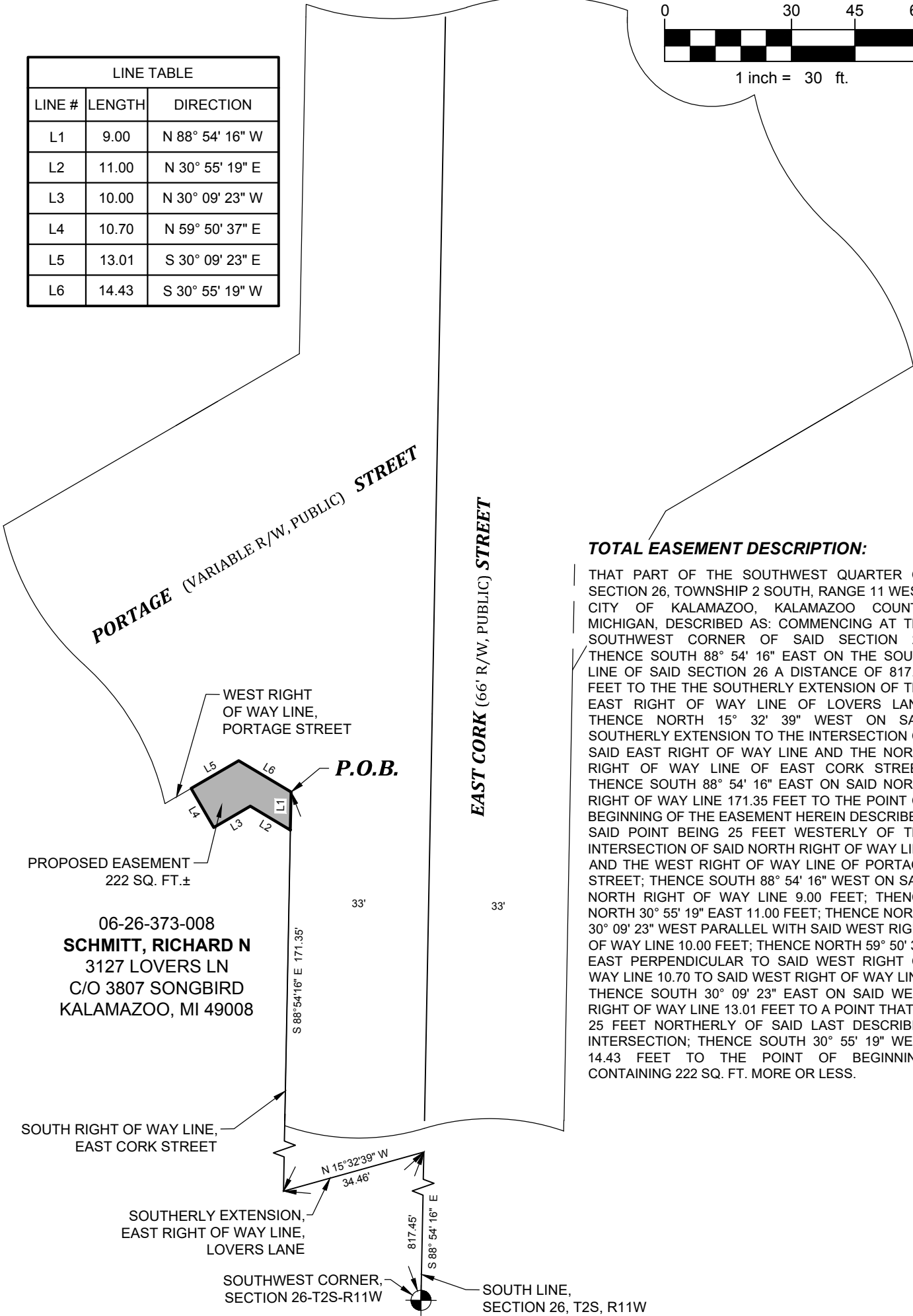
Exhibit A
Diagram of Easement Area

NOTE: THIS IS NOT A
BOUNDARY SURVEY.

SKETCH



LINE TABLE		
LINE #	LENGTH	DIRECTION
L1	9.00	N 88° 54' 16" W
L2	11.00	N 30° 55' 19" E
L3	10.00	N 30° 09' 23" W
L4	10.70	N 59° 50' 37" E
L5	13.01	S 30° 09' 23" E
L6	14.43	S 30° 55' 19" W



TOTAL EASEMENT DESCRIPTION:

THAT PART OF THE SOUTHWEST QUARTER OF SECTION 26, TOWNSHIP 2 SOUTH, RANGE 11 WEST, CITY OF KALAMAZOO, KALAMAZOO COUNTY, MICHIGAN, DESCRIBED AS: COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 26; THENCE SOUTH 88° 54' 16" EAST ON THE SOUTH LINE OF SAID SECTION 26 A DISTANCE OF 817.45 FEET TO THE THE SOUTHERLY EXTENSION OF THE EAST RIGHT OF WAY LINE OF LOVERS LANE; THENCE NORTH 15° 32' 39" WEST ON SAID SOUTHERLY EXTENSION TO THE INTERSECTION OF SAID EAST RIGHT OF WAY LINE AND THE NORTH RIGHT OF WAY LINE OF EAST CORK STREET; THENCE SOUTH 88° 54' 16" EAST ON SAID NORTH RIGHT OF WAY LINE 171.35 FEET TO THE POINT OF BEGINNING OF THE EASEMENT HEREIN DESCRIBED, SAID POINT BEING 25 FEET WESTERLY OF THE INTERSECTION OF SAID NORTH RIGHT OF WAY LINE AND THE WEST RIGHT OF WAY LINE OF PORTAGE STREET; THENCE SOUTH 88° 54' 16" WEST ON SAID NORTH RIGHT OF WAY LINE 9.00 FEET; THENCE NORTH 30° 55' 19" EAST 11.00 FEET; THENCE NORTH 30° 09' 23" WEST PARALLEL WITH SAID WEST RIGHT OF WAY LINE 10.00 FEET; THENCE NORTH 59° 50' 37" EAST PERPENDICULAR TO SAID WEST RIGHT OF WAY LINE 10.70 TO SAID WEST RIGHT OF WAY LINE; THENCE SOUTH 30° 09' 23" EAST ON SAID WEST RIGHT OF WAY LINE 13.01 FEET TO A POINT THAT IS 25 FEET NORTHERLY OF SAID LAST DESCRIBED INTERSECTION; THENCE SOUTH 30° 55' 19" WEST 14.43 FEET TO THE POINT OF BEGINNING. CONTAINING 222 SQ. FT. MORE OR LESS.

CITY OF KALAMAZOO, KALAMAZOO COUNTY

SECTION 26, T 2 S, R 11 W

182017 ESMT-8



2303 Pipestone Road, Benton Harbor, MI 49022
9835 Portage Road, Portage, MI 49002
1670 Lincoln Road, Allegan, MI 49010

269.927.0100
269.327.3532
269.673.8465
www.gowightman.com

CLIENT: CITY OF KALAMAZOO
JOB No: 182017
DATE: NOVEMBER 20, 2018
SCALE: 1" = 30'
DRAWN BY: A. EUBANKS
CHECKED BY: A. SMITH

SCHMITT, RICHARD N

06-26-373-008



City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **H.1.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Prepared by: Steve Vicenzi, Director of Management Services / CFO

DATE: July 6, 2020

SUBJECT: Ordinance Authorizing Water Supply System Revenue Bonds, Series 2020B

RECOMMENDATION:

It is recommended that the City Commission adopt the attached Ordinance Authorizing Water Supply System Revenue Bonds, Series 2020B in the amount not to exceed \$23,500,000.

BACKGROUND:

The City Commission on March 2, 2020, adopted a Notice of Intent Resolution to issue Water Supply System Revenue Bonds, Series 2020. This Resolution initiated the process of issuing debt to finance the Water System's FY 2020 Capital Improvement program in the amount not to exceed \$45,500,000, in accordance with the Adopted FY 2020 Budget. On May 4, 2020, the City Commission approved an ordinance for the issuance of standard water supply system revenue bonds in the amount of \$22,000,000. This ordinance will authorize the issuance of the remaining \$23,500,000 as junior lien revenue bonds utilizing the State of Michigan's Drinking Water Revolving Fund (DWRf) program.

The Ordinance authorizes the issuance of the Bonds in the amount not to exceed \$23,500,000 for the purposes of paying the costs of the project, extensions and improvements to the Water Supply System of the City, including water main and service line improvements and replacements, together with all necessary equipment, furnishings and all appurtenances and attachments. The Bonds are payable from the Net Revenues of the City's Water Supply System. The Bonds will be of junior standing as to the Net Revenues with the previous series of Water Supply System Revenue Bonds of the City, as the DWRf program allows the City to make these Bonds junior to the existing series of Water Supply System Revenue Bonds.

The Ordinance contains the mandatory requirements for Revenue Bond Ordinances as required by the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended. The Ordinance sets forth the terms of the Bonds and provides for a negotiated sale of the Bonds to the Michigan

Finance Authority as is required under the DWRF program.

Pursuant to Section 6 of the Revenue Bond Act, the Ordinance may be adopted in one reading, regardless of any contrary provision in the City Charter, and is required to be published in full after approval.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Capital Improvement Program Administration

Strategic Goal Impact:



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

Funds for the above projects are included in the Adopted FY 2020 and 2021 Budgets, the Water System's multi-year plan.

CITY OF KALAMAZOO, MICHIGAN

ORDINANCE NO. _____

AN ORDINANCE TO PROVIDE FOR THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, IMPROVEMENTS AND EXTENSIONS TO THE WATER SUPPLY SYSTEM OF THE CITY OF KALAMAZOO; TO PROVIDE FOR THE ISSUANCE AND SALE OF JUNIOR LIEN REVENUE BONDS TO PAY THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND CERTAIN OUTSTANDING BONDS OF THE SYSTEM; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS OF THE SYSTEM IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE SYSTEM AND THE BONDS AND THE SYSTEM.

THE CITY OF KALAMAZOO ORDAINS:

Section 1. Definitions. Whenever used in this Ordinance, except when otherwise indicated by the context, the following terms shall have the following meanings:

(a) “Act 94” means Act 94, Public Acts of Michigan, 1933, as amended.

(b) “Adjusted Net Revenues” means for any operating year the excess of revenues over expenses for the System determined in accordance with generally accepted accounting principles, to which shall be added depreciation, amortization, interest expense on Bonds and payments to the Issuer in lieu of taxes, to which may be made the following adjustments:

(i) Revenues may be augmented by the amount of any rate increases adopted prior to the issuance of additional Bonds or to be placed into effect before the time principal or interest on the additional Bonds becomes payable from Revenues as applied to quantities of service furnished during the operating year or portion thereof that the increased rates were not in effect.

(ii) Revenues may be augmented by amounts which may be derived from rates and charges to be paid by new customers of the System.

The adjustment of revenues and expenses by the factors set forth in (i) and (ii) above shall be reported upon by professional engineers or certified public accountants or other experts not in the regular employment of the Issuer.

(c) “Authority” means the Michigan Finance Authority.

(d) “Authorized Officers” means either the City Manager, Deputy City Manager or Director of Management Services and Chief Financial Officer.

(e) “Bonds” means the Series 2020B Bonds, and any additional Bonds of equal standing hereafter issued.

(f) “EGLE” means the Michigan Department of Environment, Great Lakes, and Energy.

(g) “Issuer” or “City” means the City of Kalamazoo, County of Kalamazoo, State of Michigan.

(h) “Junior Lien Bonds” means the Series 2020B Bonds, the Outstanding Junior Lien Bonds and any additional bonds that are of equal standing with the Series 2020B Bonds and the Outstanding Junior Lien Bonds, which are secured by a statutory second lien on the Net Revenues and are junior in standing to the Outstanding Senior Lien Bonds.

(i) “Outstanding Junior Lien Bonds” means the Series 2019B Bonds.

(j) “Outstanding Junior Lien Ordinances” means Ordinance No. 1993 of the City.

(k) “Outstanding Ordinances” means the Outstanding Senior Lien Ordinances and the Outstanding Junior Lien Ordinances.

(l) “Outstanding Senior Lien Bonds” means the Series 2014 Bonds, the Series 2015 Bonds, the Series 2017 Bonds, the Series 2018 Bonds, the Series 2019 Bonds and the Series 2020A Bonds.

(m) “Outstanding Senior Lien Ordinances” means Ordinances Nos. 1539, 1919, 1933, 1947, 1948, 1961, 1989 and 2005 of the City.

(n) “Project” means the additions, extensions and improvements to the System, including water main and service line improvements and replacements, together with all necessary equipment, furnishings and all appurtenances and attachments.

(o) “Purchase Contract” means the Purchase Contract to be entered into between the Authority and the Issuer relating to the purchase by the Authority of the Series 2020B Bonds.

(p) “Revenues” and “Net Revenues” mean the revenues and net revenues of the System and shall be construed as defined in Section 3 of Act 94, including with respect to “Revenues”, the earnings derived from the investment of moneys in the various funds and accounts established by the Outstanding Ordinances and this Ordinance.

(q) “Senior Lien Bonds” means the Outstanding Senior Lien Bonds, which have a statutory first lien on the Net Revenues, and any additional bonds of equal standing with the Outstanding Senior Lien Bonds hereafter issued.

(r) “Series 2014 Bonds” means the Water Supply System Revenue Refunding Bonds, Series 2014, dated May 1, 2014, in the outstanding principal amount of Nine Million Seven Hundred Five Thousand Dollars (\$9,705,000).

(s) “Series 2015 Bonds” means the Water Supply System Revenue Bonds, Series 2015, dated December 10, 2015, in the outstanding principal amount of Two Million Six Hundred Fifty-Five Thousand Dollars (\$2,655,000).

(t) “Series 2017 Bonds” means the Water Supply System Revenue Refunding Bonds, Series 2017, dated May 2, 2017, in the outstanding principal amount of Six Million Nine Hundred Thirty Thousand Dollars (\$6,930,000).

(u) “Series 2018 Bonds” means the Water Supply System Revenue Bonds, Series 2018, dated May 23, 2018, in the outstanding principal amount of Nine Million One Hundred Sixty Thousand Dollars (\$9,160,000).

(v) “Series 2019 Bonds” means the Water Supply System Revenue Bonds, Series 2019, dated June 25, 2019, in the outstanding principal amount of Ten Million Two Hundred Seventy Thousand Dollars (\$10,270,000).

(w) “Series 2019B Bonds” means the Water Supply System Junior Lien Revenue Bonds, Series 2019, dated June 25, 2019, in the outstanding principal amount of One Million Seven Hundred Thirty Thousand Dollars (\$1,730,000).

(x) “Series 2020A Bonds” means the Water Supply System Revenue Bonds, Series 2020, dated June 25, 2019, in the outstanding principal amount of Twenty Million Three Hundred Twenty-Five Thousand Dollars (\$20,325,000).

(y) “Series 2020B Bonds” means the Water Supply System Junior Lien Revenue Bonds, Series 2020B, authorized pursuant to this ordinance.

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

(aa) “Supplemental Agreement” means the supplemental agreement among the Issuer, the Authority and EGLE relating to the Series 2020B Bonds.

(bb) “System” means the entire Water Supply System of the City as defined in the Outstanding Ordinances.

Section 2. Necessity; Approval of Plans and Specifications. It is hereby determined to be a necessary public purpose of the Issuer to acquire and construct the Project in accordance with the plans and specifications prepared by the Issuer’s consulting engineers, which plans and specifications are hereby approved. The Project qualifies for the Drinking Water Revolving Fund financing program being administered by EGLE and the Authority, whereby bonds of the Issuer are sold to the Authority and bear interest at a fixed rate of not to exceed two percent (2.00%) per annum.

Section 3. Costs; Useful Life. The cost of the Project is estimated to be Twenty-Three Million Five Hundred Thousand Dollars (\$23,500,000), including the payment of incidental expenses as specified in Section 4 of this Ordinance, which estimate of cost is hereby approved. The Issuer does hereby estimate the period of usefulness of the Project to be at least twenty (20) years.

Section 4. Payment of Cost; Bonds Authorized. To pay the costs associated with acquiring and constructing the Project, including all legal, financial and other expenses incident thereto and incident to the issuance and sale of the Series 2020B Bonds, the Issuer shall borrow the sum of not to exceed Twenty-Three Million Five Hundred Thousand Dollars (\$23,500,000), and issue the Series 2020B Bonds pursuant to the provisions of Act 94. The remaining costs, if any, shall be defrayed from System funds on hand and legally available for such use.

Except as amended by or expressly provided to the contrary in this Ordinance, all of the provisions of the Outstanding Ordinances shall apply to the Series 2020B Bonds issued pursuant to this Ordinance, the same as though each of said provisions were repeated in this Ordinance in detail; the purpose of this Ordinance being to authorize the issuance of additional revenue bonds of junior and subordinate standing and priority of lien to any Outstanding Senior Lien Bonds and of equal standing and priority of lien as to the Net Revenues with the Outstanding Junior Lien Bonds to finance the cost of acquiring additions, extensions and improvements to the System, additional bonds of junior and subordinate standing and priority of lien as to the Outstanding Senior Lien Bonds and of equal standing and priority of lien as to the Outstanding Junior Lien Bonds for such purpose being authorized by the provisions of the Outstanding Ordinances, upon the conditions therein stated, which conditions have been fully met.

Section 5. Issuance of Series 2020B Bonds; Details. The Series 2020B Bonds of the Issuer, to be designated **WATER SUPPLY SYSTEM JUNIOR LIEN REVENUE BOND, SERIES 2020B**, are authorized to be issued in the aggregate principal sum of not to exceed Twenty-Three Million Five Hundred Thousand Dollars (\$23,500,000), as finally determined by order of EGLE for the purpose of paying part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Series 2020B Bonds. The Series 2020B Bonds shall be payable out of the Net Revenues, as set forth more fully in Section 8 hereof. The Series 2020B Bonds shall be in the form of a single fully-registered, nonconvertible bond of the

denomination of the full principal amount thereof, dated as of the date of delivery, payable in principal installments as finally determined by the order of EGLE at the time of sale of the Series 2020B Bonds and approved by the Authority and an Authorized Officer. Principal installments of the Series 2020B Bonds shall be payable on April 1 of the years 2022 through 2041, inclusive, or such other payment dates as hereinafter provided. Interest on the Series 2020B Bonds shall be payable on April 1 and October 1 of each year, commencing April 1, 2021 or on such other interest payment dates as hereinafter provided. Final determination of the principal amount of and interest on the Series 2020B Bonds and the payment dates and amounts of principal installments of the Series 2020B Bonds shall be evidenced by execution of the Purchase Contract and each of the Authorized Officers is authorized and directed to execute and deliver the Purchase Contract when it is in final form and to make the determinations set forth above; provided, however, that the first principal installment shall be due no earlier than October 1, 2020 and the final principal installment shall be due no later than October 1, 2043 and that the total principal amount shall not exceed \$23,500,000.

The Series 2020B Bonds shall bear interest at a rate of not to exceed two percent (2.00%) per annum on the par value thereof or such other rate as evidenced by execution of the Purchase Contract, but in any event not to exceed the rate permitted by law, and any Authorized Officers as shall be appropriate shall deliver the Series 2020B Bonds in accordance with the delivery instructions of the Authority.

The principal amount of the Series 2020B Bonds is expected to be drawn down by the Issuer periodically, and interest on principal amount shall accrue from the date such principal amount is drawn down by the Issuer.

The Series 2020B Bonds shall not be convertible or exchangeable into more than one fully-registered bond. Principal of and interest on the Series 2020B Bonds shall be payable as provided in the Series 2020B Bond form in this Ordinance.

The Series 2020B Bonds shall be subject to optional redemption by the Issuer with the prior written approval of the Authority and on such terms as may be required by the Authority.

The Chief Financial Officer shall record on the registration books payment by the Issuer of each installment of principal or interest or both when made and the cancelled checks or other records evidencing such payments shall be returned to and retained by the Chief Financial Officer.

Upon payment by the Issuer of all outstanding principal of and interest on the Series 2020B Bonds, the Authority shall deliver the Series 2020B Bonds to the Issuer for cancellation.

Section 6. Execution of Series 2020B Bonds. The Series 2020B Bonds shall be signed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk and shall have the corporate seal of the Issuer or a facsimile thereof impressed thereon. The Series 2020B Bonds bearing the manual signatures of the Mayor and the City Clerk sold to the Authority shall require no further authentication.

Section 7. Registration and Transfer. 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 Issuer shall execute and the transfer agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The transfer agent shall require payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The Issuer shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Series 2020B Bonds contained in Section 13 of this Ordinance and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The Issuer shall give the transfer agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

The transfer agent shall keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Issuer; and upon presentation for such purpose the transfer agent shall under such reasonable regulations as it may prescribe transfer or cause to be transferred on said books Bonds as hereinbefore provided.

If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bond, shall execute, and the transfer agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the transfer agent of the mutilated Bond. If any Bond issued under this Ordinance shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the transfer agent and, if this evidence is satisfactory to both and indemnity satisfactory to the transfer agent shall be given, and if all requirements of any applicable law including Act 354, Public Acts of Michigan, 1972, as amended ("Act 354"), being sections 129.131 to 129.135, inclusive, of the Michigan Compiled Laws have been met, the Issuer, at the expense of the owner, shall execute, and the transfer agent shall thereupon authenticate and deliver, a new Bond of like tenor and bearing the statement required by Act 354, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond the transfer agent may pay the same without surrender thereof.

Section 8. Payment of Series 2020B Bonds; Security; Priority of Lien. Principal of and interest on the Series 2020B Bonds shall be payable from the Net Revenues. There is hereby recognized the statutory lien upon the whole of the Net Revenues created by the Outstanding Junior Lien Ordinances which shall be a lien that is junior and subordinate to the lien of the Senior Lien Bonds created by the Outstanding Senior Lien Ordinances, to continue until payment in full of the principal of and interest on all Bonds payable from the Net Revenues, or until sufficient cash or Sufficient Government Obligations have been deposited in trust for payment in full of all Bonds of a series then outstanding, principal and interest on such Bonds to maturity, or, if called for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, as provided in the previous sentence, the statutory lien shall be terminated with respect to that series

of Bonds, the holders of that series shall have no further rights under the Outstanding Ordinances or this Ordinance except for payment from the deposited funds, and the Bonds of that series shall no longer be considered to be outstanding under the Outstanding Ordinances or this Ordinance.

Section 9. Management; Fiscal Year. The operation, repair and management of the System and the acquiring and constructing of the Project shall continue to be under the supervision and control of the Issuer. The Issuer may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System. The Issuer may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System. The System shall be operated on the basis of an operating year which shall coincide with the Issuer's fiscal year.

Section 10. Rates and Charges; No Free Service. The rates and charges for service furnished by the System and the methods of collection and enforcement of the collection of the rates shall be those in effect on the date of adoption of this Ordinance. No free service or use of the System, or service or use of the System at less than cost, shall be furnished by the System to any person, firm, or corporation, public or private, or to any public agency or instrumentality, including the Issuer.

Section 11. Funds and Accounts; Flow of Funds. The funds and accounts established by the Outstanding Ordinances are hereby continued, the flow of funds established by the Outstanding Ordinances, is hereby continued, and the applicable sections of the Outstanding Ordinances, relating to funds and accounts and flow of funds are incorporated herein by reference as if fully set forth.

Section 12. Bond Proceeds. The proceeds of the sale of the Series 2020B Bonds as received by the Issuer shall be deposited in a separate account in a bank or banks qualified to act as depository of the proceeds of sale under the provisions of Section 15 of Act 94 designated WATER SUPPLY SYSTEM JUNIOR LIEN REVENUE BONDS CONSTRUCTION FUND (the "Construction Fund"). Moneys in the Construction Fund shall be applied solely in payment of the cost of the Project and any engineering, legal and other expenses incident thereto and to the financing thereof.

Section 13. Bond Form. The Series 2020B Bonds shall be in substantially the following form with such changes or completion as necessary or appropriate to give effect to the intent of this Ordinance, and further subject to such modifications which may be required by the Michigan Attorney General and the Authority and approved by bond counsel:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF KALAMAZOO

CITY OF KALAMAZOO
WATER SUPPLY SYSTEM JUNIOR LIEN REVENUE BOND, SERIES 2020B

REGISTERED OWNER: Michigan Finance Authority

PRINCIPAL AMOUNT: _____ Dollars (\$_____)

DATE OF ORIGINAL ISSUE: August 28, 2020

The City of Kalamazoo, County of Kalamazoo, State of Michigan (the “City”), for value received, hereby promises to pay, primarily out of the hereinafter described Net Revenues of the City’s Water Supply System (hereinafter defined), to the Michigan Finance Authority (the “Authority”), or registered assigns, the Principal Amount shown above, or such portion thereof as shall have been advanced to the City pursuant to a Purchase Contract between the City and the Authority and a Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environment, Great Lakes and Energy, in lawful money of the United States of America, unless prepaid or reduced prior thereto as hereinafter provided.

During the time the Principal Amount is being drawn down by the City under this bond, the Authority will periodically provide to the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding Principal Amount actually advanced (subject to any principal forgiveness as provided for in Schedule A), all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this bond.

The Principal Amount shall be payable on the dates and in the annual principal installment amounts set forth on the Schedule attached hereto and made a part hereof, as such Schedule may be adjusted if less than \$_____ is disbursed to the City or if a portion of the Principal Amount is prepaid as provided below, with interest on said principal installments from the date each said installment is delivered to the holder hereof until paid at the rate of two percent (2.00%) per annum. Interest is first payable on April 1, 2021, and semiannually thereafter on the first day of April and October of each year, as set forth in the Purchase Contract.

Notwithstanding any other provision of this Bond, so long as the Authority is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A. or at such other place as shall be designated in

writing to the City by the Authority (the "Authority's Depository"); (b) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the City's deposit by 12:00 noon on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the City and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

Additional Interest

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

For prompt payment of principal and interest on this bond, the City has irrevocably pledged the revenues of the Water Supply System of the City, including all appurtenances, extensions and improvements thereto (the "Water Supply System"), after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and a statutory lien thereon is hereby recognized and created which is junior in standing and priority of lien as to the prior lien of the City's (a) Water Supply System Revenue Refunding Bonds, Series 2014, (b) Water Supply System Revenue Bonds, Series 2015, (c) Water Supply System Revenue and Revenue Refunding Bonds, Series 2017, (d) Water Supply System Revenue Bonds, Series 2018, (e) Water Supply System Revenue Bonds, Series 2019 and (f) Water Supply System Revenue Bonds, Series 2020A (together the "Outstanding Senior Lien Bonds") of the City and of any additional bonds of the City of equal standing and priority of lien with the Outstanding Bonds. The Bonds of this issue are of equal standing and priority of lien as to the Net Revenues with the City's Water Supply System Junior Lien Revenue Bonds, Series 2019B (the "Outstanding Junior Lien Bonds") and any additional bonds hereafter issued by the City of equal standing and priority with the Outstanding Junior Lien Bonds. The City has reserved the right to issue such additional Bonds which shall be superior and senior in all

respects to the bonds of this issue as to the Net Revenues, or of equal standing and priority of lien as to the Net Revenues.

This bond is a single, fully-registered, non-convertible bond in the principal sum indicated above issued pursuant to Ordinances Nos. 1539, 1919, 1933, 1947, 1948, 1961, 1989, 1993, 2005 and ____ duly adopted by the City Commission of the City (the "Ordinances"), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of paying part of the cost of acquiring and constructing additions, extensions and improvements to the Water Supply System of the City.

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of superior and equal standing may hereafter be issued and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Ordinances.

This bond is a self-liquidating bond, payable, both as to principal and interest, solely and only from the Net Revenues of the Water Supply System. The principal of and interest on this bond are secured by the statutory lien hereinbefore mentioned.

The City has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the Water Supply System shall be outstanding, such rates for service furnished by the Water Supply System as shall be sufficient to provide for payment of the interest upon and the principal of this bond and any bonds of equal standing with this bond, the Outstanding Senior Lien Bonds, the Outstanding Junior Lien Bonds, any additional bonds of equal standing with the Outstanding Junior Lien Bonds and any additional bonds of equal standing with the Outstanding Senior Lien Bonds, as and when the same shall become due and payable, and to maintain a bond redemption fund (including, except for bonds of this issue, a bond reserve account) therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the Water Supply System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the Water Supply System as are required by the Ordinances.

Principal installments of this bond are subject to prepayment by the City prior to maturity only with the prior written consent of the Authority and on such terms as may be required by the Authority.

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

It is hereby certified and recited that all acts, conditions and things required by law to be done precedent to and in the issuance of this bond have been done and performed in regular and due time and form as required by law.

IN WITNESS WHEREOF, the City of Kalamazoo, County of Kalamazoo, State of Michigan, by its City Commission, has caused this bond to be executed with the facsimile signatures of its Mayor and its City Clerk and a facsimile of its corporate seal to be printed on this bond, all as of the Date of Original Issue.

CITY OF KALAMAZOO

By: _____
Mayor

(Seal)

Countersigned:

City Clerk

DEQ Project No. 7482-01
DEQ Approved Amt. \$23,500,000*

SCHEDULE A

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

<u>Principal Installment Due on</u>	<u>Amount of Principal Installment</u>
April 1, 2022	\$965,000
April 1, 2023	985,000
April 1, 2024	1,005,000
April 1, 2025	1,025,000
April 1, 2026	1,045,000
April 1, 2027	1,065,000
April 1, 2028	1,090,000
April 1, 2029	1,110,000
April 1, 2030	1,135,000
April 1, 2031	1,155,000
April 1, 2032	1,180,000
April 1, 2033	1,205,000
April 1, 2034	1,225,000
April 1, 2035	1,250,000
April 1, 2036	1,275,000
April 1, 2037	1,305,000
April 1, 2038	1,330,000
April 1, 2039	1,355,000
April 1, 2040	1,385,000
April 1, 2041	1,410,000

Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the City pursuant to the Order from the date such portion is disbursed, until paid, at the rate of 2.00% per annum, payable April 1, 2021, and semi-annually thereafter.

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

Section 14. Bondholders' Rights; Receiver. The holder or holders of the Bonds, the Outstanding Senior Lien Bonds and Outstanding Junior Lien Bonds representing in the aggregate not less than twenty per cent (20%) of the entire principal amount thereof then outstanding, may, by suit, action, mandamus or other proceedings, protect and enforce the statutory lien upon the Net Revenues of the System, and may, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties of the officers of the Issuer, including the fixing of sufficient rates, the collection of Revenues, the proper segregation of the Revenues of the System and the proper application thereof. The statutory lien upon the Net Revenues, however, shall not be construed as to compel the sale of the System or any part thereof.

If there is a default in the payment of the principal of or interest upon the Series 2020B Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the System on behalf of the Issuer and under the direction of the court, and by and with the approval of the court to perform all of the duties of the officers of the Issuer more particularly set forth herein and in Act 94.

The holder or holders of the Series 2020B Bonds shall have all other rights and remedies given by Act 94 and law, for the payment and enforcement of the Series 2020B Bonds and the security therefor.

Section 16. Negotiated Sale; Application to EGLE and Authority; Execution of Documents. The Issuer determines that it is in the best interest of the Issuer to negotiate the sale of the Series 2020B Bonds to the Authority because the Drinking Water Revolving Fund financing program provides significant interest savings to the Issuer compared to competitive sale in the municipal bond market. The Authorized Officers are hereby authorized to make application to the Authority and to the MDEQ for placement of the Series 2020B Bonds with the Authority. The actions taken by the Authorized Officers with respect to the Series 2020B Bonds prior to the adoption of this Ordinance are ratified and confirmed. The Authorized Officers are authorized to execute and deliver the Purchase Contract, the Supplemental Agreement and the Issuer's Certificate. Any Authorized Officer is further authorized to execute and deliver such contracts, documents and certificates as are necessary or advisable to qualify the Series 2020B Bonds for the Drinking Water Revolving Fund. Prior to the delivery of the Series 2020B Bonds to the Authority, any Authorized Officer is hereby authorized to make such changes to the form of the Series 2020B Bonds contained in Section 13 of this Ordinance as may be necessary to conform to the requirements of Act 227, Public Acts of Michigan 1985, as amended ("Act 227"), including, but not limited to changes in the principal maturity and interest payment dates and references to additional security required by Act 227.

Section 17. Covenant Regarding Tax Exempt Status of the Bonds. The Issuer shall, to the extent permitted by law, take all actions within its control necessary to maintain the exemption of the interest on the Series 2020B Bonds from general federal income taxation (as opposed to any alternative minimum or other indirect taxation) 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 Series 2020B Bonds proceeds and moneys deemed to be Bond proceeds.

Section 18. Approval of Bond Counsel. The representation of the Issuer by Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield"), as bond counsel is hereby approved, notwithstanding the representation by Miller Canfield of the Authority in connection with the Drinking Water Revolving Fund program which may include advising the Authority with respect to this borrowing.

Section 19. Approval of Bond Details. The Authorized Officers are each hereby authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing is authorized to exercise the authority and make the determinations authorized pursuant to Section 7a(1)(c) of Act 94, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters, provided that the principal amount of Series 2020B Bonds issued shall not exceed the principal amount authorized in this Ordinance, the interest rate per annum on the Series 2020B Bonds shall not exceed two percent (2.00%) per annum, and the Series 2020B Bonds shall mature in not more than twenty (20) annual installments.

Section 20. Savings Clause. All ordinances, resolutions or orders, or part thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, repealed.

Section 21. Severability; Paragraph Headings; and Conflict. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be part of this Ordinance.

Section 22. Publication and Recordation. This Ordinance shall be published in full in the *Kalamazoo Gazette*, a newspaper of general circulation in the Issuer qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the Issuer and such record authenticated by the signatures of the Mayor and the City Clerk.

Section 23. Effective Date. Pursuant to the provisions of Section 6 of Act 94, this Ordinance shall be approved on the date of first reading and accordingly this Ordinance shall immediately be effective upon its adoption.

Adopted and signed this 6th day of July, 2020.

Signed: _____
Mayor

Signed: _____
City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the City Commission of the City of Kalamazoo, County of Kalamazoo, Michigan, at a Regular Meeting held on the 6th day of July, 2020, 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, as temporarily modified by Governor Whitmer's Executive Order No. 2020-129 and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

I further certify that the following Members were present at said meeting: _____
and that the following Members were absent: _____.

I further certify that Member _____ moved adoption of said Ordinance, and that said motion was supported by Member _____.

I further certify that the following Members voted for adoption of said Ordinance: _____
and that the following Members voted against adoption of said Ordinance: _____.

I further certify that said Ordinance has been recorded in the Ordinance Book and that such recording has been authenticated by the signatures of the Mayor and City Clerk.

City Clerk

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City Commission Agenda Report

City of Kalamazoo

Date: **7/6/2020**

Item: **H.2.**

TO: Mayor Anderson, Vice Mayor Griffin, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Prepared by: Steve Vicenzi, Director of Management Services / CFO

DATE: July 6, 2020

SUBJECT: Resolution Authorizing 2020 Capital Improvement Bonds (Limited Tax General Obligation)

RECOMMENDATION:

It is recommended that the City Commission adopt a Resolution for the issuance of General Obligation Limited Tax Bonds in an amount not to exceed \$14.5 million (\$11,750,000 for the Project and \$2,750,000 for the refunding), for the purpose of financing FY 2020 capital projects and refunding the City's 2010 Capital Improvement Bonds and 2011 Building Authority Refunding Bonds.

BACKGROUND:

The City Commission on March 2, 2020, adopted a Notice of Intent Resolution to issue Series 2020 Capital Improvement Bonds. This Resolution initiated the process of issuing debt to finance the City's FY 2020 Capital Improvement program, in accordance with the Adopted FY 2020 Budget.

Under the provisions of the Resolution and State law, the public was notified of the City's intent to issue this debt, and has been provided with a 45-day period to circulate petitions for a referendum. That 45-day period expired in May; if that occurs with no petition having been issued to the City, the City will be authorized to issue this debt at that time.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):
Capital Improvement Program Administration

Strategic Goal Impact:



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

Funds for the above projects are included in the Adopted FY 2020 Budget. The refunding of the 2010 Capital Improvement Bonds and 2011 Building Authority Refunding Bonds are expected yield an approximate savings of \$213,000 net of issues fees over the life of the bonds.

**RESOLUTION AUTHORIZING
2020 CAPITAL IMPROVEMENT AND REFUNDING BONDS
(LIMITED TAX GENERAL OBLIGATION)**

CITY OF KALAMAZOO
County of Kalamazoo, Michigan

Minutes of a regular meeting of the City Commission of the City of Kalamazoo, County of Kalamazoo, State of Michigan, conducted electronically in conformity with Governor Whitmer's Executive Order No. 2020-129, on the 6th day of July, 2020 at 7:00 p.m., prevailing Eastern Time.

PRESENT: Members _____

ABSENT: Members _____

The following preamble and resolution were offered by Member _____ and supported by Member _____.

WHEREAS, the City of Kalamazoo, Michigan (the "City") has previously determined that it is necessary to pay all or part of the costs of certain public improvements in the City, including a) acquiring and constructing major street and local street improvements, including traffic signal upgrades; b) acquiring, constructing, furnishing and equipping public safety facilities improvements; c) acquiring and constructing parks and recreation improvements; d) acquiring information technology equipment; and e) acquiring public services and public safety equipment; including all related equipment, site improvements, appurtenances and attachments (collectively, the "Projects"); and

WHEREAS, the cost of the Projects is estimated to be approximately Eleven Million Seven Hundred Fifty Thousand Dollars (\$11,750,000); and

WHEREAS, a notice of intent for bonds was published in accordance with Act 34, Public Acts of Michigan, 2001, as amended ("Act 34") which provides that the capital improvement bonds may be issued without a vote of the electors of the City unless a proper petition for an election on the question of the issuance of the bonds is filed with the City Clerk within a period of forty-five (45) days from the date of publication and as of this date no petition has been filed with the Clerk; and

WHEREAS, the City Commission deems it necessary to borrow the principal amount of not to exceed Eleven Million Seven Hundred Fifty Thousand Dollars (\$11,750,000) and issue capital improvement bonds pursuant to Act 34 to pay the cost of the Projects; and

WHEREAS, the City has previously issued its 2010 Capital Improvement Bonds (Limited Tax General Obligation), dated as of July 8, 2010, in the original principal amount of \$2,855,000 (the "Prior Capital Improvement Bonds"), of which \$1,325,000 presently remains outstanding, for the purpose of financing the cost of various capital improvements; and

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

WHEREAS, the City of Kalamazoo Building Authority, County of Kalamazoo, State of Michigan (the "Authority") has previously issued its 2011 Building Authority Refunding Bonds, dated March 1, 2011 in the original principal amount of \$4,105,000 (the "Prior Building Authority Bonds"), of which \$1,430,000 presently remains outstanding, which were issued to refinance prior bond issues issued for the purpose of financing the cost of various public facilities; and

WHEREAS, the City and the Authority had entered into a certain Refunding Contract (the "Prior Contract") by which the City has agreed to pay cash rentals to the Authority in amounts sufficient to pay the debt service on the Prior Building Authority Bonds when due, and has pledged the City's limited tax full faith and credit therefor; and

WHEREAS, the Prior Capital Improvement Bonds, the Prior Building Authority Bonds and the Prior Contract (together, the "Prior Bonds") are "outstanding securities" of the City within the meaning of Act 34; and

WHEREAS, Part VI of Act 34 permits the City to refund all or part of its outstanding securities, including the Prior Bonds; and

WHEREAS, the City has been advised that it may achieve interest cost savings through the refunding of all or a portion of the Prior Bonds; and

WHEREAS, the City determines that it is in the best interest of the City to issue refunding bonds in an aggregate principal amount of not to exceed Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000) for the purpose of refunding all or a portion of the Prior Bonds in order to achieve interest cost savings for the benefit of the City and its taxpayers; and

WHEREAS, because the security for the bonds will be the same and to reduce the cost of issuance and administration, the City determines that it makes practical and economic sense to combine the bond issues for the Projects and the refunding into a single series; and

WHEREAS, the City desires to negotiate the sale of the Bonds to an underwriter (the "Underwriter") within the parameters established by this Resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the City designated **2020 CAPITAL IMPROVEMENT AND REFUNDING BONDS (LIMITED TAX GENERAL OBLIGATION)** (the "Bonds") are hereby authorized to be issued in the principal amount of not to exceed Fourteen Million Five Hundred Thousand Dollars (\$14,500,000), for the purpose of (a) refunding all or a portion of the Prior Bonds, (b) paying the costs of the Projects, and (c) paying costs incidental to the issuance, sale and delivery of the Bonds.

The Bonds shall consist of bonds registered as to principal and interest of the denomination of \$5,000 or multiples of \$5,000 not exceeding for each maturity the aggregate principal amount of such maturity, dated as the date of delivery, or such other date as determined by the City Manager, Deputy City Manager or Director of Management Services and Chief Financial Officer (each, an "Authorized Officer"), numbered as determined by the Transfer

Agent (hereinafter defined), and maturing or subject to mandatory redemption on October 1st in the years 2021 to 2040, inclusive, or such other dates as shall be determined at the time of sale and in the amounts as determined by an Authorized Officer. The Bonds shall bear interest at a rate or rates to be determined at the time of sale thereof, but in any event not exceeding 5.00% per annum, payable on April 1, 2021 (or such other date as determined at the time of sale thereof), and semi-annually thereafter by check or draft mailed by the Transfer Agent 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 a bank or trust company as a registrar and transfer agent for the Bonds (the "Transfer Agent"), to be selected by an Authorized Officer at the time of sale of the Bonds. The Bonds may be subject to optional or mandatory redemption prior to maturity as determined at the time of sale.

Interest on the Bonds shall be paid by check drawn on the Transfer Agent mailed to the registered owner of the Bonds at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The 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.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price or premium; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

The Bonds may be issued in book entry only form through the Depository Trust Company in New York, New York ("DTC") and the Authorized Officers are each authorized to execute such custodial or other agreements with DTC as may be necessary to accomplish the issuance of the Bonds in book entry only form and to make such change in the Bond Form within the parameters of this Resolution as may be required to accomplish the foregoing.

2. Execution of Bonds. The Bonds shall be signed by the manual or facsimile signatures of the Mayor and City Clerk and shall have the facsimile seal of the City printed on the Bonds. No Bond signed by facsimile signature shall be valid until authenticated by an authorized signatory of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by it to the purchaser in accordance with instructions from the Treasurer 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.

3. Transfer of Bonds. The Transfer Agent shall keep the books of registration for this issue on behalf of the City. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

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

The City Treasurer is authorized and directed to open a separate fund with a bank or trust company designated by the City Treasurer as the 2020 CAPITAL IMPROVEMENT AND REFUNDING BONDS (LIMITED TAX GENERAL OBLIGATION) DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited in the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay the principal of and interest on the Bonds when due, shall be deposited in trust and irrevocably held for the payment and discharge of the Bonds, 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 and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Construction Fund; Bond Issuance Fund; Escrow Account. The City Treasurer is authorized and directed to open a separate depository account with a bank or trust company or to create a separate account on the books of the City, to be designated 2020 CAPITAL IMPROVEMENT BONDS CONSTRUCTION FUND (the "Construction Fund"), and to deposit into said Construction Fund that portion of the proceeds of the Bonds issued for the purpose of paying the costs of the Projects less the accrued interest, if any, which shall be deposited in the Debt Retirement Fund for the Bonds. Any net original issue premium received on sale and delivery of the Bonds shall be deposited in the appropriate account consistent with State and federal law, and if required by State or federal law, may be used to reduce the principal amount of Bonds issued, as determined in the Authorized Officers. Moneys in the Construction Fund shall be used solely to pay the costs of the Projects and issuance costs 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 in a fund designated 2020 CAPITAL IMPROVEMENT AND REFUNDING BONDS ISSUANCE FUND (the "Bond Issuance Fund"), which may be established by the City or by the Escrow Agent (hereinafter defined). Moneys in the Bond Issuance Fund shall be used solely to pay expenses of issuance of the Bonds. Any amounts remaining in the Bond Issuance Fund after payment of issuance expenses shall be transferred to the Construction Fund for the Bonds.

The balance of the proceeds of the Bonds, together with other available funds provided by the City, if any, shall be deposited in an escrow fund (the "Escrow Fund") consisting of cash and investments in direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing (the "Escrow Securities") and used to pay the principal of and interest on all or a portion of the Prior Bonds as determined by any of the Authorized Officers at the time of sale (the portion of the Prior Bonds being refunded are the "Refunded Bonds"). The Escrow Fund shall be held in trust by a bank or trust company eligible to act as escrow agent (the "Escrow Agent"), pursuant to an escrow agreement (the "Escrow Agreement") which shall irrevocably direct the transfer agent for the Refunded Bonds to take all necessary steps to pay the principal of, interest and redemption premium on the Refunded Bonds being refunded when due, and to call the Refunded Bonds being refunded for redemption as specified by the City. The Authorized Officers are each hereby authorized and directed to appoint an Escrow Agent and execute the Escrow Agreement on behalf of the City. The investments held in the Escrow Fund shall be such that the principal and interest payments received thereon will be sufficient, without reinvestment, to pay the principal of, interest and redemption premium, if any, on the Prior Bonds as they become due pursuant to maturity or the call for redemption required by this paragraph. Following establishment of the Escrow Fund, any amounts remaining in the debt retirement funds for the Prior Bonds shall be transferred to the Debt Retirement Fund for the Bonds. The Authorized Officers are each authorized and directed to purchase or cause to be purchased, Escrow Securities, including United States Treasury Obligations – State and Local Government Series (SLGS), in an amount sufficient to fund the Escrow Fund.

6. Bond Form. The Bonds shall be in substantially the following form with such changes as may be required to conform the Bond to the final terms of the Bonds established by the Sale Order:

UNITED STATES OF AMERICA

STATE OF MICHIGAN
COUNTY OF KALAMAZOO

CITY OF KALAMAZOO

**2020 CAPITAL IMPROVEMENT AND REFUNDING BOND
(LIMITED TAX GENERAL OBLIGATION)**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	October 1, ____	_____, 2020	

Registered Owner:

Principal Amount: _____ Dollars

The City of Kalamazoo, County of Kalamazoo, State of Michigan (the "City"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360 day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, at the Interest Rate per annum specified above, payable on April 1, 2021 and semiannually thereafter. Principal of this bond is payable upon presentation and surrender of this bond at the corporate trust office of _____, _____, Michigan, as registrar and transfer agent for the Bonds or such other transfer agent as the City may hereafter designate (the "Transfer Agent") by notice mailed to the registered owner not less than sixty (60) days prior to an interest payment date. Interest on this bond is payable to the person or entity which is the registered owner of record as of the 15th day of the month preceding the interest payment date as shown on the registration books of the City kept by the Transfer Agent, by check or draft mailed by the Transfer Agent to the registered owner of record at the registered address.

This bond is one of a series of bonds of even date of original issue aggregating the principal sum of \$_____, issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended, and a resolution duly adopted by the City Commission of the City on July 6, 2020 for the purpose of (a) paying all or part of the cost of certain capital improvements for the City, (b) paying all or part of the cost of refunding certain outstanding prior bond issues and obligations of the City; and (c) paying the costs of issuance of the bonds of this issue.

This bond, including the interest thereon, is payable as a first budget obligation from the general funds of the City, and the City is required, if necessary, to levy ad valorem taxes on all taxable property in the City for the payment thereof, subject to applicable constitutional, statutory and charter tax rate limitations. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

Bonds maturing in the years 2021 through 20__ shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 20__ 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 October 1, 20__, at par and accrued interest to the date fixed for redemption.

[Insert Term Bond redemption provisions, if necessary.]

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

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 of any bond shall be given by the Transfer Agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the Transfer Agent. 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 is transferable only upon the registration books of the City kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing. Upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing and upon the payment of the charges, if any, prescribed in the resolution authorizing this bond, a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond. Neither the City nor the Transfer Agent shall be required to transfer or exchange this bond or portion of this bond either during the period of fifteen (15) days immediately preceding the date of the mailing of any notice of redemption or (except as to the unredeemed portion, if any, of this bond) after this bond or any portion of this bond has been selected for redemption.

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 this bond in order to make it a valid and binding obligation of said City have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of said City, including this bond, does not exceed any constitutional, statutory or charter limitation.

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

CITY OF KALAMAZOO
County of Kalamazoo
State of Michigan

By: _____ [Facsimile] _____
Its Mayor

(SEAL)

By: _____ [Facsimile] _____
Its Clerk

7. Useful Life of Projects. The estimated period of usefulness of the Projects is hereby declared to be not less than twenty (20) years.

8. Negotiated Sale. The City Commission has considered the option of selling the Bonds through a competitive sale and a negotiated sale, and pursuant to the requirements of Act 34, based on the advice of its financial advisor, determines that a negotiated sale of the Bonds will allow more flexibility in accessing the municipal bond market, and to price and sell the Bonds at the time that is expected to best achieve the most advantageous interest rates and costs to the City, and will provide the City with greater flexibility in structuring bond maturities and adjusting terms for the Bonds.

9. Bond Purchase Agreement; Delegation to Authorized Officers; Sale Order. Each Authorized Officer is hereby authorized to select an Underwriter and negotiate the sale of the Bonds to the Underwriter, subject to the parameters set forth in this Resolution. Each Authorized Officer is authorized to award the sale of the Bonds to the Underwriter pursuant to a bond purchase agreement and a sale order, subject to the parameters set forth in this Resolution.

10. Adjustment of Bond Terms. Each Authorized Officer is hereby authorized to adjust the final Bond details to the extent necessary or convenient to complete the transaction authorized in this Resolution, and in pursuance of the foregoing are each authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, designation of series, the portion or portions of the Prior Bonds to be refunded and other matters, all subject to the parameters established in this Resolution; *provided* that the interest rate per annum on the Bonds shall not exceed 5.00% per annum, the underwriter's discount shall not exceed 1% of the par amount of the Bonds and the refunding of the Prior Bonds shall result in net present value savings to the City. .

11. Tax Covenant. The City hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of interest on the Bonds from adjusted gross income for federal income purposes under the Internal Revenue Code of 1986, as amended (the "Code") including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds.

12. Not Qualified Tax Exempt Obligations. The Bonds shall not be designated as "qualified tax exempt obligations" as defined in Section 265(b)(3)(B) of the Code for purposes of deduction of interest expense by financial institutions pursuant to the Code.

13. Continuing Disclosure Undertaking. The City agrees to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC"), and the Authorized Officers are each hereby authorized to execute such undertaking prior to delivery of the Bonds.

14. Authorization of Other Actions. The Authorized Officers are each authorized and directed to (a) approve the circulation of a preliminary official statement describing the Bonds

and to deem the preliminary official statement "final" for purposes of Rule 15c2-12 of the SEC; (b) approve the circulation of a final official statement describing the Bonds and to execute the same on behalf of the City; (c) solicit bids for and approve the purchase of a municipal bond insurance policy for the Bonds, if deemed advantageous upon the advice of the City's financial advisor; and (d) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds..

15. Bond Counsel. Miller, Canfield, Paddock and Stone, P.L.C. is hereby appointed to serve as bond counsel for the Bonds.

16. Financial Advisor. Robert W. Baird & Co. Incorporated, is hereby appointed as financial advisor for the Bonds.

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

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

Scott A. Borling
City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo, County of Kalamazoo, State of Michigan, at a regular meeting held on July 6, 2020, 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 1976, as temporarily modified by Governor Whitmer's Executive Order No. 2020-129 and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Scott A. Borling
City Clerk

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