

City of Corunna
Regular Council Meeting
Monday, August 2, 2010

Present: Kerridge, Mehig, Jessen, Sarrazin, Johnson, Haskins, Reichert.

Absent: None.

The meeting was called to order in the council chambers of Corunna City Hall by Mayor Kerridge at 7:00 p.m.

MINUTES OF THE PREVIOUS REGULAR MEETING: Johnson moved, Reichert seconded to approve the previous regular meeting minutes dated July 19, 2010 as presented.

Roll call vote:

Yes: Jessen, Sarrazin, Johnson, Haskins, Mehig.

No: None.

Motion CARRIED

AGENDA APPROVAL: Johnson moved, Jessen seconded to approve the agenda with the following changes: add Item No. 14) Presentation to Judy Horton.

Roll call vote:

Yes: Sarrazin, Johnson, Haskins, Reichert, Mehig, Jessen.

No: None.

Motion CARRIED

APPROVAL OF VENDOR DISBURSEMENTS: Sarrazin moved, Reichert seconded to approve the vendor disbursements dated July 23, 2010 as presented.

Roll call vote:

Yes: Johnson, Haskins, Reichert, Mehig, Jessen, Sarrazin.

No: None.

Motion CARRIED

CONSIDER BALLOT RESOLUTION – CHARTER AMENDMENT RE CITY IMPROVEMENTS:

Johnson moved, Jessen seconded to approve the following ballot Resolution No. 080210-01 a resolution to approve and submit the language of the proposed amendment to Section 6.3 of the Charter of the City of Corunna, Michigan:

CITY OF CORUNNA
SHIAWASSEE COUNTY, MICHIGAN

RESOLUTION NO. 080210-01

A RESOLUTION TO APPROVE AND SUBMIT THE LANGUAGE OF THE
PROPOSED AMENDMENT TO SECTION 6.3 OF THE CHARTER
OF THE CITY OF CORUNNA, MICHIGAN

WHEREAS, Act No. 279 of the Public Acts of 1909, as amended (“Act 279”), provides that a home rule city may amend its charter in accordance with the provisions of Act 279; and

WHEREAS, the City Council believes that it is in the best interests of the City to amend the City Charter Section 6.3 to allow the City to levy an additional ad valorem tax which does not exceed three tenths (0.30) of one percent of the assessed valuation, as equalized, of all real and personal property subject to taxation in the City which tax shall be used only for the purpose of acquiring and constructing additions, repairs and improvements to the City’s water supply system, sanitary sewer system, storm sewer system, mill pond dam, and street system; and

WHEREAS, it is necessary for the qualified electors of the City to vote on the proposed amendment to City Charter Section 6.3 and

WHEREAS, Section 21 of Act 279 requires that the form in which proposed amendments to the City Charter shall be submitted on the ballot shall be determined by resolution of the City Council.

NOW THEREFORE it is resolved that:

1. The City Council, by a 3/5 vote of its members, proposes that Section 6.3 of the City Charter be amended to read as follows:

ADOPTION OF BUDGET, TAX LIMIT:

Section 6.3 Not later than the third Monday of May, the Council shall, by resolution, adopt the budget for the next fiscal year, and shall in such resolution, make an appropriation for the money needed for municipal purposes during the ensuing fiscal year of the City and provide for a levy of the amount necessary to be raised by taxes upon real and personal property for municipal purposes, which levy shall not exceed one and one half (1 1/2) percent of the assessed valuation, as equalized, of all real and personal property subject to taxation in the City. **In addition to the amount of taxes the City is authorized above to levy, the City shall be authorized to levy an additional annual ad valorem tax which does not exceed three tenths (0.30) of one percent of the assessed valuation, as equalized, of all real and personal property subject to taxation in the City which shall be used only for the purpose of acquiring and constructing additions, repairs and improvements to the City’s water supply system, sanitary sewer system, storm sewer system, mill pond dam, and street system.**

2. The proposed Charter amendment referenced in this Resolution shall be placed on the ballot in the following form, with a provision for voting “yes” or “no” for its adoption:

CORUNNA CITY CHARTER AMENDMENT AUTHORIZING AN ADDITIONAL THREE TENTHS OF ONE PERCENT AD VALOREM TAX TO ACQUIRE, CONSTRUCT, REPAIR AND IMPROVE WATER, SEWER AND STREET SYSTEMS AND THE MILL POND DAM

Shall Section 6.3 of the City Charter be amended to allow the City to levy an additional ad valorem tax which does not exceed three tenths (0.30) of one percent of the assessed valuation, as equalized, of all real and personal property subject to taxation in the City which shall be used only for the purpose of acquiring and constructing additions, repairs and improvements to the City’s water supply system, sanitary sewer system, storm sewer system, mill pond dam, and street system?

YES _____

NO _____

3. The foregoing ballot language and proposed Charter Amendment referenced in this Resolution shall be submitted to the electors, the Governor of the state of Michigan and the Attorney General of the state of Michigan as required by law.
4. A certified copy of this resolution shall be submitted to the Governor of the state of Michigan for her approval or disapproval of this amendment, and to the Attorney General, for his review of the proposed ballot language.
5. The foregoing Charter amendment shall be submitted to the electors for their adoption or rejection at an election to be held on November 2, 2010, or such date to which this election may be rescheduled.
6. The City Clerk shall give notice of such election as required by law. The notice shall include the proposed amendment to the City Charter in full with the existing Charter provisions which would be altered or abrogated. The clerk shall also post the amendment as required by law.
7. The City Manager, City Clerk, and City attorneys are authorized and directed to take any and all actions needed to seek voter approval of this Charter amendment.

BE IT FURTHER RESOLVED, that this resolution shall take effect upon passage by the City Council.

RESOLUTION DECLARED ADOPTED.

Roll call vote:

Yes: Haskins, Reichert, Mehig, Jessen, Sarrazin, Johnson.

No: None.

Motion CARRIED

CONSIDER BALLOT PROPOSAL RESOLUTION – RESTORATION OF CITY OPERATING

MILLAGE: Johnson moved, Jessen seconded to approve the following Resolution No. 080210-02 a resolution authorizing ballot proposal for the restoration of the city operating millage:

CITY OF CORUNNA
(Shiawassee County, Michigan)

RESOLUTION NO. 080210-02

RESOLUTION AUTHORIZING BALLOT PROPOSAL
FOR THE RESTORATION OF THE CITY OPERATING MILLAGE

WHEREAS, the City Charter of the City authorizes the City to levy an annual ad valorem property tax of up to 15.00 mills for the general operations of the City; and

WHEREAS, pursuant to Section 31 of Article IX of the Michigan Constitution of 1963, the limit on the annual amount of ad valorem taxes the City is authorized to levy has been reduced by 1.6956 mills to 13.3044 mills; and

WHEREAS, the City Council has determined that it is necessary to levy additional millage in order to restore the City's maximum operating millage to 15 mills; and

WHEREAS, the City Council wishes to submit the question of the restoration of the City operating millage to the voters at the regular City election to be held on November 2, 2010.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The following proposition shall be submitted to the electors of the City at the regular City election to be held on November 2, 2010:

CITY OPERATING MILLAGE RESTORATION PROPOSAL

Shall the City of Corunna levy a new millage of up to 1.6956 mills (\$1.6956 per thousand dollars of taxable value) on the taxable value of all property assessed for taxes in the City of Corunna (estimated to provide revenues of \$98,344.36 in the first year of the levy) for a period of 20 years, beginning in 2011, and continuing through 2030, inclusive, to provide funds to pay the costs of the general operations of the City of Corunna? The intent of this request is to restore the total City operating millage to the maximum rate of 15 mills authorized by the Charter of the City of Corunna.

(To the extent required by law, a small portion of the tax levy will be captured by and disbursed to the Downtown Development Authority of the City of Corunna.)

YES _____

NO _____

2. The City Clerk, City Attorney and all other City officials are authorized and directed to take any and all actions necessary to have the Proposal placed on the regular City election to be held on November 2, 2010.
3. All existing or previous resolutions and parts of resolutions, insofar as they may conflict with the provisions of this resolution, are hereby rescinded to the extent necessary to avoid such conflict.

RESOLUTION DECLARED ADOPTED.

Roll call vote:

Yes: Reichert, Mehig, Jessen, Sarrazin, Johnson. Haskins.

No: None.

Motion CARRIED

CONSIDER BOND RESOLUTION – 2010 CAPITAL IMPROVEMENT BONDS: Johnson moved, Reichert seconded to approve the following bond Resolution No. 080210-03 a resolution to authorize issuance of 2010 Capital Improvement Bonds:

CITY OF CORUNNA
(Shiawassee County, Michigan)
Resolution No. 080210-03

RESOLUTION TO AUTHORIZE ISSUANCE OF
2010 CAPITAL IMPROVEMENT BONDS

WHEREAS, pursuant to Act 34 of the Public Acts of Michigan of 2001, as amended, (“Act 34”) the City of Corunna (the “City”) has the authority to issue bonds to pay the costs of any capital improvement items; and

WHEREAS, the City desires to make certain capital improvements, including repairs required under an Administrative Consent Order and identified in the City's Sanitary Sewer Evaluation Survey, including, but not limited to the identification of inflow and infiltration, main line sewer lining, manhole rehabilitation, and elicit connection removal and work necessary and incidental to these improvements (the “Improvements”); and

WHEREAS, the Improvements will enable the City to provide more efficient and better quality public services to City residents; and

WHEREAS, the cost of making the Improvements is estimated to be approximately Six Hundred Eighty Thousand Dollars (\$680,000); and

WHEREAS, a portion of the Improvements is being funded by a grant from the State of Michigan in the amount of \$340,000, which requires the City to fund the balance of the project; and

WHEREAS, the City Council deems it in the best interest of the City to borrow the amount that is needed to fund the local match, and therefore, determines to borrow the sum of not-to-exceed \$340,000 and to issue its 2010 Capital Improvement Bonds therefor pursuant to the provisions of Act 34.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. NECESSITY. It is necessary for the public health, safety and welfare of the City to make the Improvements and issue bonds of the City, pursuant to Act 34 to finance construction of the Improvements.
2. ESTIMATED COST - PERIOD OF USEFULNESS. The total cost of the Improvements, including the payment of engineer’s fees, legal and financial expenses and other expenses incident to the financing of the Improvements, including the portion of the project to be funded with grants, is estimated to be approximately Six Hundred Eighty Thousand Dollars (\$680,000), and is hereby approved and confirmed, and the estimated period of usefulness of the Improvements is determined to be in excess of twenty (20) years.
3. ISSUANCE OF BONDS. To defray a portion of the cost of the Improvements, including legal, engineering, financial and other expenses, the City shall issue its bonds known as 2010 Capital Improvement Bonds (the “Bonds”) in the aggregate principal sum of not-to-exceed Three Hundred Forty Thousand Dollars (\$340,000). The balance of the cost of the Improvements, if any, shall be paid by grants or funds appropriated by the City.
4. BOND TERMS. The Bonds shall be issued in fully registered form as to both principal and interest, in the denomination of \$5,000 each, or any whole multiple thereof. The Bonds shall be numbered consecutively in the order of their registration, shall be dated the date of delivery or

such other date determined by the Authorized Officer, and shall be payable serially or as term bonds on August 1 and bear interest as follows:

MATURITY DATE	INTEREST RATE	PAR AMOUNT
08/01/2011	2.99%	30,000
08/01/2012	2.99%	30,000
08/01/2013	2.99%	30,000
08/01/2014	2.99%	30,000
08/01/2015	2.99%	35,000
08/01/2016	2.99%	35,000
08/01/2017	2.99%	35,000
08/01/2018	2.99%	35,000
08/01/2019	2.99%	40,000
08/01/2020	2.99%	40,000

Interest on the bonds shall be paid semi-annually on the first (1st) day of February and August of each year, commencing August 1, 2011.

5. PAYMENT OF PRINCIPAL AND INTEREST. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America to the person appearing on the Bond registration books as the registered owner thereof. Payment of principal on the Bonds shall be made at the principal office of the Paying Agent (defined below), upon surrender of the Bonds. Payment of interest on the Bonds shall be paid to the registered owner at the address as it appears on the registration books as of the determination date. Initially, the determination date shall be the date as of the fifteenth (15th) day of the month prior to the payment date for each interest payment; however, the determination date may be changed by the City to conform to market practice.
6. PLEDGE OF FULL FAITH AND CREDIT, GENERAL OBLIGATION. The City hereby pledges its limited tax, full faith and credit, general obligation for the prompt payment of the principal of and interest on the Bonds as and when due. In the event there are insufficient moneys for the payment of principal of and interest on the Bonds, the City shall levy a tax on all taxable property in the City for the prompt payment of principal and interest on the Bonds, which tax shall be limited as to rate and amount by applicable charter, constitutional and statutory limitations on the taxing power of the City. The pledge by the City shall be a first lien on the budget of the City in the event of insufficient moneys.
7. TERM BOND OPTION. The initial purchaser of the Bonds shall have the option of designating any one or more maturities of bonds as serial bonds or term bonds, or both. If the purchaser designates Bonds as term bonds, the principal amounts set forth above shall represent a mandatory redemption requirement for a term bond or a term bond maturity as designated by the purchaser.
8. PRIOR REDEMPTION.

(a) Mandatory Redemption. Principal designated by the original purchaser of the Bonds as a term bond maturity shall be subject to mandatory redemption, in whole or in part, by lot, at par plus accrued interest, on the redemption dates corresponding to the principal amounts set forth above. When term bonds are purchased by the City and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term bonds affected shall be reduced by the principal amount of the Bonds so redeemed in the order determined by the City.

(b) Optional Redemption. The Bonds shall not be subject to optional redemption prior to maturity.

9. PAYING AGENT AND REGISTRATION.

(a) Appointment of Paying Agent. From time to time the City shall designate and appoint a Paying Agent, which may also act as transfer agent and bond registrar. The initial Paying Agent shall be designated by the Authorized Officer. In the event of a change in the Paying Agent, notice shall be given in writing, by certified mail, to each Registered Owner not less than sixty (60) days prior to the next interest payment date. The Paying Agent shall keep the official books which record the registered owners of the Bonds (the "Registered Owners").

(b) Book Entry Eligible: At the option of the initial purchaser of the Bonds, the Bonds will be issued in book-entry only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York; if this option is selected, DTC will act as securities depository for the Bonds, purchase of the Bonds will be made in book-entry only form, in the denomination of \$5,000 or any integral multiple thereof, and purchasers will not receive certificates representing their interest in Bonds purchased.

(c) Discontinuance of Book-Entry-Only. In the event the book-entry-only system is not selected or is discontinued, the following provisions would apply to the Bonds. Bonds may be transferred only by submitting the same to the Paying Agent, together with a satisfactory instrument of transfer signed by the Registered Owner or his legal representative duly authorized in writing, after which a new Bond or Bonds shall be issued by the Paying Agent to the transferee (new registered owner) in denominations of \$5,000 or any integral multiple thereof, in the same aggregate principal amount as the Bond submitted for transfer. No transfer of Bonds shall be valid unless and until recorded on the bond registration books in accordance with the foregoing. The person in whose name any bond is registered may for all purposes, notwithstanding any notice to the contrary, be deemed and treated by the City and the Paying Agent as the absolute owner thereof, and any payment of principal and interest on any Bond to the Registered Owner thereof shall constitute a valid discharge of the City's liability upon such Bond to the extent of such payment. No Bond shall be transferred less than fifteen (15) days prior to an interest payment date nor after the Bond has been called for redemption. So

long as the Bonds are registered to DTC or another bond depository, the Paying Agent, acting as bond registrar, shall have no responsibility with respect to such transfers.

10. BOND FORM. The Bonds shall be substantially in the form attached hereto as Exhibit A, and incorporated herein, with such changes as are recommended by the City's Bond Counsel and approved by the officers of the City signing the Bonds.
11. EXECUTION OF BONDS. The Mayor or Mayor Pro Tem, and the Clerk or Deputy Clerk of the City, are hereby authorized and directed to sign the Bonds, either manually or by facsimile signature, on behalf of the City. Upon execution, the Bonds shall be delivered to the purchaser thereof upon receipt of the purchase price in accordance with the accepted bid therefor, plus the accrued interest, if any, to the date of delivery.
12. BONDS MUTILATED, LOST OR DESTROYED. If any Bond shall become mutilated, the City, at the expense of the holder of the Bond (the "Bondholder"), shall execute, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this Resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the Paying Agent and, if this evidence is satisfactory to both the City and the Paying Agent and indemnity satisfactory to the Paying Agent shall be given, the City, at the expense of the Bondholder, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like tenor, which shall bear the statement required by Act No. 354, Public Acts of Michigan, 1972, as amended, 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 Paying Agent may pay the same without surrender thereof.
13. BOND PAYMENT FUND. For payment of principal of and interest on the Bonds, there shall be established and maintained a fund for the Bonds designated the "2010 CAPITAL IMPROVEMENT BONDS BOND PAYMENT FUND" (the "Bond Payment Fund"). The accrued interest, if any, and capitalized interest, if any, received at the time of delivery of the Bonds shall be placed into the Bond Payment Fund. The City shall budget annually a sufficient amount to pay the annual principal of and interest on the Bonds and deposit such amount in the Bond Payment Fund as needed to make payments of principal and interest as they become due. The obligation of the City to pay the principal of and interest on the Bonds will be a first budget obligation. Moneys in the Bond Payment Fund shall be expended solely for payment of principal and interest on the Bonds which first come due. Any monies remaining in the Bond Payment Fund after the annual payments of principal of and interest on the Bonds shall be transferred to the General Fund and shall no longer be pledged hereunder.
14. CONSTRUCTION FUND. Prior to delivery and sale of the Bonds, there shall be established a fund designated the "2010 CAPITAL IMPROVEMENT BONDS CONSTRUCTION FUND" (the "Construction Fund"). After deducting the sums which are required to be deposited in the Bond Payment Fund, the balance of the proceeds of the Bonds shall be deposited into the Construction Fund. The moneys on deposit in the Construction Fund from time to time shall be used solely for the purpose for which the Bonds were issued. Any unexpended balance shall be

used for such purposes as allowed by law. Any monies remaining in the Construction Fund after payment of all such costs shall be transferred to the Bond Payment Fund. After completion of the Improvements and disposition of any remaining bond proceeds, pursuant to the provisions of this Section, the Construction Fund shall be closed.

15. INVESTMENT OF FUNDS. Moneys in the funds and accounts established herein may be invested by the City as allowed by law, subject to the limitations imposed by arbitrage regulations and Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder (collectively the "Code").
16. DEPOSITORY AND FUNDS ON HAND. Monies in the several funds and accounts maintained pursuant to this Bond Resolution may be kept in one or more accounts at financial institutions designated by resolution of the City, and if kept in one account, the monies shall be allocated on the books and records of the City in the manner and at the times provided in this Resolution.
17. COVENANTS. The City covenants and agrees with the successive Bondholders that so long as any of the Bonds remain outstanding and unpaid as to either principal or interest:
 - (a) That it will cause the principal of and interest on the Bonds to be paid promptly when due, but solely from the funds pledged by this Resolution.
 - (b) That it will make no use of the proceeds of the Bonds, or any other funds which may be deemed to be proceeds of the Bonds pursuant to Section 103(c) of the Code which, if the use had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be "arbitrage bonds" within the meaning of that Section, and will comply with all requirements of the Code throughout the term of the Bonds.
18. ADDITIONAL BONDS. In accordance with the provisions of Act 34, the City reserves the right to issue additional bonds, which shall be of equal standing and priority with the Bonds.
19. MICHIGAN TAXATION. The Bonds provided for herein are authorized by the Constitution and Statutes of the state of Michigan, and in particular by Act 34, and are exempt from all taxation by the State of Michigan or by any taxing authority within the state, except inheritance, estate and gift taxes, and except taxes on gains realized from the sale, payment or other disposition thereof.
20. CONTRACT WITH BONDHOLDERS. The provisions of this Resolution shall constitute a contract between the City and the Bondholders from time to time, and after the issuance of any of such Bonds, no change, variation or alteration of the provisions of this Resolution may be made which would lessen the security for the Bonds. The provisions of this Resolution shall be enforceable by appropriate proceedings taken by such Bondholders, either at law or in equity.
21. SALE OF BONDS. The Bonds shall be sold at a negotiated sale to JP Morgan Chase Bank, NA or such affiliated entity as it may designate (the "Bank"). The Authorized Officer has solicited proposals to purchase the Bonds from local financial institutions and the City determines that a negotiated sale is in the best interests of the City since the offer of the Bank to

purchase the Bonds provides a low interest rate while also saving on the costs of issuance for the Bonds.

22. AUTHORIZED OFFICER. Notwithstanding any other provision of this Resolution, the City Manager and the Mayor, or either one of them acting alone (the “Authorized Officer”), is authorized within the limitations of this Resolution to determine the title of the Bonds, interest rate (not to exceed 6%), amount of discount, amount of maturities, principal amount (not-to-exceed the principal amount stated in this Resolution), amount of good faith deposit, if any, denominations, dates of issuance, dates of maturities (with the final maturity no later than 2020), interest payment dates, optional and mandatory redemption rights, and term bond options prior to the closing on the issuance of the Bonds.

The Authorized Officer is hereby authorized for and on behalf of the City, without further City Council approval, to execute a bond purchase agreement for the Bonds, and to do all acts and take all necessary steps required to effectuate the sale, issuance and delivery of the Bonds.

Approval by the City of the matters delegated in this section or any other sections may be evidenced by execution or approval of such documents by the Authorized Officer. The Authorized Officer, together with the Clerk and Treasurer or any one or more of them, are authorized to execute any documents or certificates necessary to complete the transaction, including, but not limited to, any applications, including applications to the Michigan Department of Treasury, any certificates, receipts, orders, agreements, instruments, and any certificates relating to federal or state securities laws, rules or regulations.

23. INTERNAL REVENUE CODE. The City has consulted with its attorney and understands that the Code contains certain requirements on (i) the expenditure of proceeds from the sale of the Bonds, (ii) the investment of the proceeds from the issuance of the Bonds and (iii) the rebate of interest earned on the investment of the proceeds of the Bonds under certain circumstances. The City hereby covenants to comply with such requirements.
24. QUALIFIED TAX-EXEMPT OBLIGATION. The City reasonably anticipates that the amount of qualified tax-exempt obligations which will be issued by the City and all subordinate entities during the calendar year 2010 shall not exceed \$30,000,000. The City hereby designates the Bonds as qualified tax-exempt obligations for purposes of Section 265(b) (3) (B) of the Code. The City hereby certifies that the Bonds are not private activity bonds as defined in Section 141 of the Code.
25. DEFEASANCE. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the bonds, shall be deposited in trust, this Resolution shall be defeased and the owners of the bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest on the

bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange bonds as provided herein.

26. CONTINUING DISCLOSURE. Because of the size of the bond issue, the City will not enter into a continuing disclosure undertaking.
27. OFFICIAL STATEMENT. Because of the size of the bond issue, the City will not prepare an Official Statement relating to the Bonds.
28. BOND RESOLUTION SUBJECT TO MICHIGAN LAW. The provisions of this Resolution are subject to the laws of the State of Michigan.
29. SECTION HEADINGS. The section headings in this Resolution are furnished for convenience of reference only and shall not be considered to be a part of this Resolution.
30. SEVERABILITY. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.
31. CONFLICT. Except as provided above, all resolutions or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed; provided, that the foregoing shall not operate to repeal any provision thereof, the repeal of which would impair the obligation on the Bonds.
32. EFFECTIVE DATE OF RESOLUTION. This Resolution is determined by the City Council to be immediately necessary for the preservation of the peace, health and safety of the City and shall be in full force and effect from and after its passage.

RESOLUTION DECLARED ADOPTED.

Roll call vote:

Yes: Jessen, Johnson, Reichert, Mehigh, Sarrazin, Haskins.

No: None.

Motion CARRIED

CONSIDER BID AWARD – 2010 CAPITAL IMPROVEMENT BONDS: Johnson moved, Jessen seconded to award the 2010 Capital Improvement Bonds to Chase Bank.

Roll call vote:

Yes: Reichert, Jessen, Sarrazin, Haskins, Mehigh, Johnson.

No: None.

Motion CARRIED

CONSIDER FINANCIAL ADVISOR AGREEMENT – 2010 CAPITAL IMPROVEMENT BONDS:

Johnson moved, Reichert seconded to approve the Financial Advisor Agreement with Mesirow Financial.

Roll call vote:

Yes: Johnson, Reichert, Mehigh, Jessen, Haskins, Sarrazin.

No: None.

Motion CARRIED

7:15 P.M. PUBLIC HEARING TO CONSIDER GARAGE SALE ORDINANCE NO. 10-05:

Johnson moved, Reichert seconded to leave regular session and enter a public hearing to consider Garage Sale Ordinance No. 10-05.

Roll call vote:

Yes: Haskins, Jessen, Mehig, Sarrazin, Johnson, Reichert.

No: None.

Motion CARRIED Time was 7:50 p.m.

Johnson moved, Jessen seconded to leave the public hearing and return to regular session.

Roll call vote:

Yes: Sarrazin, Mehig, Jessen, Johnson, Reichert, Haskins.

No: None.

Motion CARRIED Time was 7:58 p.m.

Johnson moved, Reichert seconded to approve the following Ordinance No. 10-05:

CITY OF CORUNNA
ORDINANCE NO. 10-05

AN ORDINANCE TO REPEAL CHAPTER 34 – ENVIRONMENT, ARTICLE V. GARAGE SALES (Sections 34-120 through 34-124) IN ITS ENTIRETY AND REPLACE IT WITH CHAPTER 34 – ENVIRONMENT, ARTICLE V. GARAGE SALES, Section 34-120 (Purpose and intent), Section 34-121 (Definitions), Section 34-122 (Exemptions), Section 34-123 (Conditions), Section 34-124 (Enforcement).

THE CITY OF CORUNNA ORDAINS:

CHAPTER 34 – ENVIRONMENT, ARTICLE V. GARAGE SALES Section 34-120 (Purpose and intent), Section 34-121 (Definitions), Section 34-122 (Exemptions), Section 34-123 (Conditions), Section 34-124 (Enforcement), OF THE CITY CODE OF THE CITY OF CORUNNA, MICHIGAN, shall be as follows:

Roll call vote:

Yes: Reichert, Mehig, Sarrazin, Haskins, Johnson, Jessen.

No: None.

Motion CARRIED

CONSIDER MORATORIUM ON PERMITS/LICENSES FOR SALE/DISPENSATION OF MEDICAL MARIHUANA:

Johnson moved, Jessen seconded to approve the following Resolution No. 080210-04, a resolution to impose a moratorium on the issuance of permits, licenses or approvals for the sale or dispensation of medical marihuana:

CITY OF CORUNNA
RESOLUTION NO. 080210-04

A RESOLUTION TO IMPOSE A MORATORIUM ON THE ISSUANCE
OF PERMITS, LICENSES OR APPROVALS FOR THE SALE
OR DISPENSATION OF MEDICAL MARIHUANA

WHEREAS, The City of Corunna finds that the provisions within the Code of Ordinances have not kept pace with recent developments and the passing into law of initiated Law 1 of 2008, the Michigan Medical Marihuana Act.

WHEREAS, it is within the rights of the City of Corunna to establish reasonable regulations to control the sale and dispensation of medical marihuana in order to protect the public health, safety and welfare and in a manner consistent with the Michigan Medical Marihuana Act.

WHEREAS, imposing a moratorium, on a limited temporary basis, is reasonable and necessary in order to allow time for review of and potential amendments to the Code of Ordinances.

WHEREAS, during this moratorium period, the City Council and Planning Commission will investigate potential modifications to the Code of Ordinances that may establish reasonable regulations to control the sale and dispensation of medical marihuana in order to protect the public health, safety and welfare.

WHEREAS, the moratorium imposed by this ordinance shall remain in effect for six months following the effective date of this resolution or until amendments to the City of Corunna's Code of Ordinances becomes effective, whichever occurs first.

WHEREAS, prior to the expiration of the six month moratorium, the City of Corunna may extend the moratorium for an additional six months to allow sufficient time to complete amendments to the ordinance.

THIS RESOLUTION WAS DULY ADOPTED BY THE CORUNNA CITY COUNCIL
DURING ITS REGULAR MEETING HELD ON AUGUST 2, 2010

RESOLUTION DECLARED ADOPTED

Roll call vote:

Yes: Johnson, Haskins, Jessen, Sarrazin, Reichert, Mehig.

No: None.

Motion CARRIED

CONSIDER LOT SPLIT – 605 CRESTVIEW DRIVE: Johnson moved, Sarrazin seconded to approve the lot split request for 605 Crestview Drive.

Roll call vote:

Yes: Haskins, Sarrazin, Mehig, Johnson, Reichert, Jessen.

No: None.

Motion CARRIED

CONSIDER DAM LETTER FROM MDNR&E: Johnson moved, Jessen seconded to proceed with an administrative hearing as discussed.

Roll call vote:

Yes: Sarrazin, Reichert, Mehig, Haskins, Johnson, Jessen.

No: None.

Motion CARRIED

CONSIDER SWQIF MILESTONE SCHEDULE: Sarrazin moved, Reichert seconded to accept the draft SWQIF Milestone Schedule as presented.

Roll call vote:

Yes: Mehig, Jessen, Sarrazin, Johnson, Reichert, Haskins.

No: None.

Motion CARRIED

CONSIDER APPOINTMENT OF TAMMY HNATIUK TO THE CORUNNA FOURTH OF JULY COMMISSION: Johnson moved, Jessen seconded to appoint Tammy Hnatiuk to the Corunna Fourth of July Commission serving at the pleasure of the council for an indefinite term.

Roll call vote:

Yes: Jessen, Johnson, Reichert, Sarrazin, Mehig, Haskins.

No: None.

Motion CARRIED

CONSIDER COMMUNITY CENTER FEES: Reichert moved, Sarrazin seconded to lower the community center rates to 50 percent for a full day rental and one-third for half day rental and change the key deposit wording to key/cleaning deposit.

Community Center Comparables	2009/2010		VS	2010/2011*	
	1/2 Day	Full Day		1/2 Day	Full Day
Upper Level (no kitchen)	n/a	\$300.00		\$100.00	\$150.00
Lower Level (no kitchen)	n/a	\$225.00		\$75.00	\$115.00
Lower Level (with kitchen)	n/a	\$337.50		\$115.00	\$175.00
Both Levels (includes kitchen)	n/a	\$637.50		\$215.00	\$320.00
Key/Cleaning Deposit	n/a	\$100.00		\$100.00	\$100.00
Fee if decorating the night prior (per floor)	n/a	\$ 25.00		\$25.00	\$25.00
<i>Half Day to consist of 6am-2pm OR 2pm -10pm</i>					
<i>Full Day to consist of 6am-10pm</i>					

*Construction rates approved per City Council

Roll call vote:

Yes: Sarrazin, Johnson, Reichert, Mehig, Jessen, Haskins.
No: None.

Motion CARRIED

ADJOURN: Jessen moved, Mehig seconded to adjourn.

Roll call vote:

Yes: Johnson, Reichert, Sarrazin, Jessen, Haskins, Mehig.
No: None.

Motion CARRIED Time was 8:52 p.m.

Charles Kerridge, Mayor

Nichole L. Cowdrey, Clerk/Treasurer