

City of Allen Park Regular Council Meeting Minutes  
Tuesday, September 27, 2016

Mayor William B. Matakas called the Meeting to order at 6:00 PM

Roll Call showed present: Councilwoman Gail McLeod, Councilman Kevin Rourke, Councilwoman Tina Gaworecki, Councilman Angelo Americo DeGiulio, Councilman Harry Sisko and Councilman Larry Templin;

Also present: City Attorney Joe Couvreur, City Administrator Mark Kibby, Police Chief James Wilkewitz, Fire Chief Doug LaFond, Parks & Rec Director Pat Hawkins, Finance Director Bob Cady, Treasurer Maureen C. Armstrong & City Clerk Michael I. Mizzi

Motion by McLeod

Supported by Gaworecki

RESOLVED, to approve the Agenda with separating Claims & Accounts from the Consent Items

MOTION ADOPTED – 16-0927-0202

Motion by DeGiulio

Supported by Templin

RESOLVED, to approve the Minutes for the Regular Meeting of September 13, 2016

MOTION ADOPTED – 16-0927-203

Motion by Rourke

Supported by Gaworecki

RESOLVED, to Accept and File the City Administrators operational updates/reports/documents and submissions.

MOTION ADOPTED – 16-0927-204

Motion by DeGiulio

Supported by McLeod

RESOLVED, to approve Claims and Accounts as presented.

MOTION ADOPTED – 16-0927-205

Motion by Rourke

Supported by Templin

RESOLVED, to approve the following Consent Agenda Items:

**A. Purchasing Actions**

- 1 Claims & Accounts
- 2 Payroll Report

**B. Licenses & Permits**

- 1 Street Closure Permit #04-2016 – Mark Bailey w/ Elks Club of Allen Park – Monday, October 31, 2016 (Park Ave. from White to Philomene) 2 PM until 11 PM – 28<sup>th</sup> Annual Pumpkin Patch

MOTION ADOPTED – 16-0927-206

Motion by DeGiulio

Supported by Gaworecki

WHEREAS, in August 2015, the City made a tender offer to the beneficial owners of the City's outstanding General Obligation Limited Tax Bonds, Series 2009A (Federally Taxable) (the "Series 2009A Bonds") and its outstanding General Obligation Limited Tax Bonds, Series 2009B, Recovery Zone Facility Bonds (the "Series 2009B Bonds" and, together with the Series 2009A Bonds, the "Series 2009 Bonds"), inviting them to offer to sell all or a portion of their Series 2009 Bonds to the City for certain purchase prices; and

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WHEREAS, on September 30, 2015, \$11,210,000 aggregate principal amount of the Series 2009 Bonds were tendered to the City by the beneficial owners of the Series 2009 Bonds (the “Tendered Bonds”); and

WHEREAS, subsequent to the expiration date of the invitation to tender the Series 2009 Bonds (the “Tender Expiration Date”), certain beneficial owners of the Series 2009 Bonds that had failed to tender their bonds by the Tender Expiration Date, made unsolicited offers to sell to the City certain Series 2009 Bonds in the aggregate principal amount of \$5,225,000 (the “2015 Offered Bonds”); and

WHEREAS, the settlement for the Tendered Bonds and the 2015 Offered Bonds occurred on November 19, 2015 (the “Settlement”); and

WHEREAS, in connection with the Settlement, the Series 2009 Bonds were amended to reduce the outstanding principal amount and change the mandatory redemption schedule; and

WHEREAS, as of the date hereof, the outstanding principal amount of the Series 2009A Bonds is \$8,435,000 and the outstanding principal amount of the Series 2009B Bonds is \$1,205,000; and

WHEREAS, subsequent to the Settlement, the City has received from certain Series 2009 Bondholders (the “Offering Bondholders”) further unsolicited offers to sell to the City certain Series 2009 Bonds (the “Offers”), and may receive additional Offers in the future; and

WHEREAS, the City desires from time to time to accept such Offers, subject to the terms and conditions of this Resolution; and

WHEREAS, pursuant to Emergency Manager Order No. 2014-057 (“Order No. 2014-57”), Joyce Parker, then the Emergency Manager of the City, recommended that the Governor appoint a receivership transition advisory board for the City under Public Act 436 of 2012, the Local Financial Stability and Choice Act (“Act 436”), and accordingly on such date Governor Snyder appointed four members of the City of Allen Park Receivership Transition Advisory Board (the “RTAB”) and specified their applicable statutory criteria; and

WHEREAS, with the appointment of the RTAB, the City has remained in receivership under Act 436 as of the date hereof; and

WHEREAS, Order No. 2014-057 was amended June 22, 2016 to restore control of the City government to the City Council in accordance with the City Charter, subject only to limited exceptions still involving the RTAB, including a requirement that all City Council actions concerning bonds must be submitted to the RTAB for approval;

NOW THEREFORE, it is hereby resolved as follows:

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1. The Mayor and the City Clerk of the City, acting jointly and not severally, and their respective deputies (the “Authorized Officers”), are authorized from time to time to accept or reject, in whole or in part, unsolicited Offers from Offering Bondholders on behalf of the City, consistent with the terms and parameters of this Resolution, and to purchase and subsequently cancel the Offered Bonds which are accepted for purchase by the City, pursuant to a purchase contract to be executed and delivered by each of the Authorized Officers on behalf of the City and each of the Offering Bondholders (each a “Purchase Contract”), in form acceptable to the Authorized Officers in consultation with the City’s legal and financial advisors. The execution of each Purchase Contract by the Authorized Officers shall constitute conclusive evidence of such officers’ approval and this Council’s approval thereof.
  
2. The following terms and parameters shall apply to the City’s acceptance of any of the Offers:
  - a. The total purchase paid to the Offering Bondholders in the aggregate shall not exceed \$474,750.00, inclusive of accrued interest, fees and expenses.
  - b. No Offer shall be accepted unless the City’s financial advisor shall recommend to the City the acceptance of the Offer, based upon its financial analysis of the Offer showing the relative benefit to the City.
  - c. This Resolution shall have been approved by the RTAB.
  - d. The Authorized Officers may determine additional criteria for acceptable Offers consistent with the foregoing.
  
3. The Authorized Officers are authorized individually or jointly to take any actions which in consultation with the City’s legal and financial advisors they deem necessary or desirable relating to the consummation of the transactions contemplated by the City’s acceptance of the Offers and the Purchase Contract, including without limitation the following:
  - a. Executing, delivering, and sealing, if appropriate, any other approvals, instructions, documents or instruments.
  - b. Preparing or causing to be prepared any disclosure documents.
  - c. Taking any actions to finalize the purchase of the Offered Bonds, including determining the appropriate amount of funds to be paid for the purchase of such Offered Bonds, providing any necessary directions to The Depository Trust Company, the transfer agent or trustee relating to the settlement of the Offers and cancellation of the Offered Bonds which have been accepted for purchase by the City.
  - d. As applicable, amending and restating the Series 2009 Bonds to reduce the outstanding principal amount, and changing the mandatory redemption schedule for the then outstanding Series 2009 Bonds.
  - e. Making or causing to be made any filings or disclosures required by applicable law or by the City’s continuing disclosure undertakings.
  - f. If possible, taking any actions required to discharge the resolution relating to such Series 2009 Bonds.

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4. Any Authorized Officer, as well as any of the City's legal and financial advisors, is authorized to apply for, or submit, execute and deliver other certificates, documents, opinions and papers to any party or governmental agency as may be required by law, or as may be necessary to effectuate the purchase by the City and cancellation of the Offered Bonds and otherwise as contemplated by the Purchase Contract.
5. Pursuant to Order No. 2014-057, the Authorized Officers shall cause this Resolution to be submitted to the RTAB for review and approval promptly after its adoption.
6. The appointment of the law firm of Bodman PLC of Detroit, Michigan as counsel in connection with the Offers is hereby approved. The fees and expenses of Bodman PLC relating to the consummation of the transactions contemplated by the Offers and the Purchase Contract shall be payable from legally available funds of the City in accordance with the letter of such firm on file.
7. The appointment of Robert W. Baird & Co. Incorporated as the City's municipal advisor with respect to the Offers in accordance with the letter of such firm on file is hereby approved.
8. Any Authorized Officer is authorized to pay or cause to be paid any administrative costs relating to the consummation of the transactions contemplated by the Offers and the Purchase Contract, and any of those costs may be paid from any legally available funds of the City.
9. All other ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.
10. 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.
11. This Resolution shall be effective immediately upon its adoption.

MOTION ADOPTED – 16-0927-207

Motion by Rourke

Supported by DeGiulio

RESOLVED, to concur with the Parks & Recreation Commission and rename Hansel & Gretel Tot Lot (Laurence & Moore) to John J. "Jack" Rourke Family Park

MOTION ADOPTED – 16-0927-208 with Sisko casting a no vote

Motion by Templin

Supported by DeGiulio

RESOLVED, to Convene into Closed Session for the purpose to consider (purchase or lease) of property as permitted under MCL 15.268 (d)

Roll Call Vote: Unanimous

MOTION ADOPTED – 16-0927-209

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The Council moved into the Conference Room and the door was closed

The door was opened at 8:23 PM

Motion by Rourke

Supported by Sisko

RESOLVED, to reconvene into the Regular Council Meeting

MOTION ADOPTED – 16-0927-210

Motion by Templin

Supported by DeGiulio

RESOLVED, to direct the City Administrator to submit a Non-Binding Letter of Intent as discussed in Closed Session

MOTION ADOPTED – 16-0927-211

Motion by McLeod

Supported by Templin

RESOLVED, to adjourn the Regular Council Meeting at 8:26 PM

MOTION ADOPTED – 16-0927-212

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William B. Matakas – Mayor

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Michael I. Mizzi – City Clerk