

**RESOLUTION AUTHORIZING ISSUANCE OF  
2022 CAPITAL IMPROVEMENT BONDS  
(LIMITED TAX GENERAL OBLIGATION)**

**CITY OF MARQUETTE  
COUNTY OF MARQUETTE  
STATE OF MICHIGAN**

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Minutes of a regular meeting of the City Commission of the City of Marquette, County of Marquette, State of Michigan, held on the 11<sup>th</sup> day of July, 2022, at 6:00 p.m., prevailing Eastern Time.

PRESENT: Members: \_\_\_\_\_

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ABSENT: Members: \_\_\_\_\_

The following preamble and resolution were offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_:

WHEREAS, the City of Marquette, County of Marquette, State of Michigan (the “City”) does hereby determine that it is necessary to pay all or part of the cost of capital improvement items in the City including but not limited to constructing a living revetment along the Lake Superior waterfront; constructing habitat restoration in the uplands area; installation of outlet improvements for existing stormwater outfalls; making major and/or local street improvements, including related water, sewer and storm water infrastructure improvements; construction and installation of sanitary sewer lateral replacements and sewer pipe; infrastructure improvements for the Hemlock Park development; together with all appurtenances and attachments thereto (collectively, the “Projects”); and

WHEREAS, to finance the cost of the Projects, the City Commission deems it necessary to borrow the principal amount of not to exceed Six Million Dollars (\$6,000,000) and issue capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”), to pay the cost of the Projects; and

WHEREAS, a notice of intent for bonds was published in accordance with 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 no petition was filed with the Clerk within the 45-day period.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the City designated **2022 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION)** (the “Bonds”) are hereby authorized to be issued in the aggregate principal sum of not to exceed Six

Million Dollars (\$6,000,000), or such lesser amount as shall be determined by the City Manager and Chief Financial Officer (each, an “Authorized Officer”), upon sale of the Bonds, for the purpose of paying the costs of the Projects, including the costs incidental to the issuance, sale and delivery of the Bonds. The issue shall consist of bonds in fully-registered form of the denomination of \$5,000, or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered as determined by the Transfer Agent (defined below). The Bonds shall be dated the date of delivery and shall bear interest, mature and be payable at the times and in the manner set forth in Sections 6 and 7 hereof.

The Bonds shall be sold at public sale at a price not less than 98.5% of the par value thereof. The Bonds may be issued as serial or term bonds or both and shall be subject to redemption prior to maturity in the manner and at the times and prices set forth in Sections 6 and 7 hereof, and if term bonds are selected by the original purchaser of the Bonds, then the Bonds will be subject to mandatory redemption in accordance with the maturity schedule as provided in the form of notice of sale provided in Section 7 hereof.

Interest shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. The principal of the Bonds shall be payable at a bank or trust company as 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, provided that in the event that the Bonds are purchased by a single institutional investor the City Treasurer may act as the Transfer Agent.

The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York (“DTC”) and either Authorized Officer is 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 changes in the bond form within the parameters of this resolution as may be required to accomplish the foregoing.

2. Execution of Bonds. The Bonds of this issue shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk and shall have the seal of the City, or a facsimile thereof, printed or impressed on the Bonds. No Bond executed by facsimile signature shall be valid until authenticated by an authorized officer or representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from an Authorized Officer upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted.

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.

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 place where the Bonds called for redemption are to be surrendered for payment; and that interest on the 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.

4. Limited Tax Pledge; Debt Retirement Fund; Defeasance of Bonds. The City hereby pledges its limited tax full faith and credit for the prompt payment of 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 depository account with a bank or trust company designated by the City Commission, to be designated **2022 CAPITAL IMPROVEMENT BONDS DEBT RETIREMENT FUND** (the "Debt Retirement Fund"), the moneys to be deposited into 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 at maturity or irrevocable call for earlier optional redemption, the principal of, premium, if any, and interest on the Bonds, shall be deposited in trust, this resolution shall be defeased and the owners of the Bonds shall have no further rights under this resolution except to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Construction Fund; Proceeds of Bond Sale. The City Treasurer is authorized and directed to open a separate depository account with a bank or trust company designated by the City Commission, to be designated **2022 CAPITAL IMPROVEMENT BONDS CONSTRUCTION FUND** (the "Construction Fund"), and deposit into said Construction Fund the proceeds of the Bonds less accrued interest, if any, which shall be deposited into the Debt Retirement Fund. The amounts specified by an Authorized Officer at the time of sale of the

Bonds from the net proceeds of sale of the Bonds (including proceeds of the good faith deposit received at the time of sale) shall be deposited to the appropriate account in the Construction Fund to be used to pay for the Projects and the costs of issuance of the Bonds. Except for investment pending disbursement and as herein provided, the moneys in each account in the Construction Fund shall be used solely to pay the costs of the Projects, the costs of issuance of the Bonds, as such costs become due and payable and, as may be necessary, to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code of 1986, as amended (the "Code").

6. Bond Form. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF MARQUETTE

**CITY OF MARQUETTE**

2022 CAPITAL IMPROVEMENT BOND  
(LIMITED TAX GENERAL OBLIGATION)

<u>Interest Rate</u> ____%	<u>Maturity Date</u> May 1, 20__	<u>Date of Original Issue</u> _____, 2022	<u>CUSIP</u>
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Registered Owner:

Principal Amount: \_\_\_\_\_ Dollars

The City of Marquette, County of Marquette, 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, until paid, at the Interest Rate per annum specified above, first payable on May 1, 2023 and semiannually thereafter. Principal of this bond is payable at the corporate trust office of \_\_\_\_\_, \_\_\_\_\_, Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the “Transfer Agent”). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the interest payment date as shown on the registration books of the City kept by the Transfer Agent by check or draft mailed to the registered owner of record at the registered address. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

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 (“Act 34”), and a resolution duly adopted by the City Commission of the City for the purpose of paying the cost of various capital improvements in the City.

This bond, including the interest hereon, 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.

Bonds of this issue maturing in the years 2023 through 2032, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds of this issue in multiples of \$5,000 maturing in the year 2033 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 May 1, 2032, at par and accrued interest to the date fixed for redemption.

[Insert term bond language, if any.]

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

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption, whether or not presented for redemption, 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 thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the 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 and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the City, including this bond and the series of bonds of which this is one, does not exceed any constitutional, statutory or charter debt limitation.

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

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

**CITY OF MARQUETTE**  
County of Marquette  
State of Michigan

(SEAL)

By: \_\_\_\_\_  
Its Mayor

By: \_\_\_\_\_  
Its City Clerk

(Form of Transfer Agent's Certificate of Authentication)

DATE OF AUTHENTICATION:

**CERTIFICATE OF AUTHENTICATION**

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

\_\_\_\_\_  
\_\_\_\_\_, Michigan  
Transfer Agent

By: \_\_\_\_\_  
Authorized Signatory

[Bond printer to insert form of assignment]

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

OFFICIAL NOTICE OF SALE

\$6,000,000\*

CITY OF MARQUETTE  
COUNTY OF MARQUETTE, STATE OF MICHIGAN  
2022 CAPITAL IMPROVEMENT BONDS  
(LIMITED TAX GENERAL OBLIGATION)

*\*Subject to adjustment as provided in this Notice of Sale*

**Bids** for the purchase of the above bonds will be received in the manner described in this Official Notice of Sale on \_\_\_\_\_, \_\_\_\_\_, 2022 until \_\_\_:00 a/p.m., prevailing Eastern Time, at which time and place said bids will be opened and read. The award or rejection of bids will occur on the same date.

**ELECTRONIC BIDS:** Bidders may submit bids for the purchase of the above bonds as follows:

Electronic bids may be submitted to the Municipal Advisory Council of Michigan at [munibids@macmi.com](mailto:munibids@macmi.com); provided that electronic bids must arrive before the time of sale and the bidder bears all risks of transmission failure.

Electronic bids will also be received on the same date and until the same time by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or CLIENT SERVICES, 1359 Broadway, Second Floor, New York, New York 10010, (212) 849-5021. IF ANY PROVISION OF THIS NOTICE OF SALE SHALL CONFLICT WITH INFORMATION PROVIDED BY BIDCOMP/PARITY, AS THE APPROVED PROVIDER OF ELECTRONIC BIDDING SERVICES, THIS NOTICE SHALL CONTROL.

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

**BOND DETAILS:** The bonds will be registered bonds of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, originally dated as of the date of delivery, numbered in order of registration, and will bear interest from their date payable on May 1, 2023, and semiannually thereafter.

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

<u>May 1</u>	<u>Amount*</u>	<u>May 1</u>	<u>Amount*</u>
2023	\$380,000	2031	\$400,000
2024	325,000	2032	415,000
2025	335,000	2033	430,000
2026	345,000	2034	445,000
2027	355,000	2035	460,000
2028	365,000	2036	480,000
2029	375,000	2037	500,000
2030	390,000		

**\*ADJUSTMENT OF TOTAL PAR AMOUNT OF BONDS AND PRINCIPAL MATURITIES:** The City reserves the right to increase or decrease the aggregate principal amount of the bonds after receipt of the bids and prior to final award, if necessary, so that the purchase price of the bonds will provide an amount determined by the City to be sufficient to construct the Projects and to pay costs of issuance of the bonds. The adjustments, if necessary, will be in increments of \$5,000. The purchase price will be adjusted proportionately to the increase or decrease in issue size, but the interest rates specified by the successful bidder for all maturities will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

**\*ADJUSTMENT TO PURCHASE PRICE:** Should any adjustment to the aggregate principal amount of the bonds be made by the City, the purchase price of the bonds will be adjusted by the City proportionally to the adjustment in principal amount of the bonds. The adjusted purchase price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but will not change the per-bond underwriter's discount as calculated from the bid and initial reoffering prices.

**PRIOR REDEMPTION OF BONDS:** Bonds maturing in the years 2023 to 2032, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 2033 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 May 1, 2032, at par and accrued interest to the date fixed for redemption.

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

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

**TERM BOND OPTION:** The initial purchaser of the bonds may designate any one or more maturities from May 1, 2023 through the final maturity as term bonds and the consecutive maturities on or after the year 2023 which shall be aggregated in the term bonds. The amounts of the maturities which are aggregated in a designated term bond shall be subject to mandatory redemption on May 1 of the years and in the amounts set forth in the above maturity schedule at a redemption price of par, plus accrued interest to the date of mandatory redemption. Term bonds or portions thereof mandatorily redeemed shall be selected by lot. Any such designation must be made within 24 hours of the sale.

**INTEREST RATE AND BIDDING DETAILS:** The bonds shall bear interest at a rate or rates not exceeding six (6%) per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/100 of 1%, or both. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. No proposal for the purchase of less than all of the bonds or at a price less than 98.5% of their par value will be considered.

**BOOK-ENTRY OPTION:** Upon the request of the successful bidder, the bonds will be issued in book-entry-only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the bonds. In the event of registration with DTC, the purchaser will not receive certificates representing their interest in bonds purchased. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the bonds. In the alternative, the successful bidder may request bond certificates to be delivered to the purchaser as one fully registered bond per maturity.

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

**PURPOSE AND SECURITY:** The bonds are authorized for the purpose of paying the cost of acquiring and constructing certain capital improvements for the City. The bonds will be a first budget obligation of the City, payable from the general funds of the City including the collection of ad valorem taxes on all taxable property in the City subject to applicable constitutional, statutory and charter tax rate limitations. The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors’ rights generally now existing or hereafter enacted and by the application of general principles of equity, including those relating to equitable subordination.

**GOOD FAITH:** A good faith deposit in the form of a certified or cashier’s check drawn upon an incorporated bank or trust company, or wire transfer, in the amount of one percent (1%) of the final aggregate principal amount of the bonds, payable to the order of the City will be required of the successful bidder. The successful bidder is required to submit its good faith deposit to the City as instructed by the City not later than Noon, prevailing Eastern Time, on the next business day following the sale. The good faith deposit will be applied to the purchase price of the bonds. In the event the purchaser fails to honor its accepted bid, the good faith deposit will be retained by the City. No interest shall be allowed on the good faith check. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the bonds shall be made at the closing.

**AWARD OF BONDS:** The bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on May 1, 2023 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to \_\_\_\_\_, 2022 (the anticipated delivery date), in an amount equal to the price bid, excluding accrued interest, if any. Each bidder shall state in its bid the true interest cost to the City, computed in the manner specified above.

**TAX MATTERS:** In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., bond counsel, under existing law, assuming compliance with certain covenants, interest on the bonds is excludable from gross income for federal income tax purposes as described in the opinion, and the bonds and interest thereon are exempt from all taxation by the State of Michigan or by any taxing

authority within the State of Michigan except estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

**ISSUE PRICE:** The winning bidder shall assist the City in establishing the issue price of the bonds and shall execute and deliver to the City at closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached either as Appendix G-1 or Appendix G-2 of the preliminary official statement, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the bonds) will apply to the initial sale of the bonds (the “Competitive Sale Requirements”) because:

- a. the City is disseminating this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- b. all bidders shall have an equal opportunity to bid;
- c. the City anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- d. the City anticipates awarding the sale of the bonds to the bidder who submits a firm offer to purchase the bonds at the lowest true interest cost, as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the bonds, as specified in the bid.

In the event that all of the Competitive Sale Requirements are not satisfied, the City shall so advise the winning bidder. The City will not require bidders to comply with the “hold-the-offering price rule” (as described below), and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the bonds as the issue price of that maturity, though the winning bidder, in consultation with the City, may elect to apply the “hold-the-offering price rule” (as described below). Bids will not be subject to cancellation in the event the Competitive Sale Requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering price rule” (as described below), bidders should prepare their bids on the assumption that all of the maturities of the bonds will be subject to the 10% Test (as described below). The winning bidder must notify the City of its intention to apply either the “hold-the-offering price rule” or the 10% Test at or prior to the time the bonds are awarded.

If the winning bidder does not request that the “hold-the-offering price rule” apply to determine the issue price of the bonds, the following two paragraphs shall apply:

- a. The City shall treat the first price at which 10% of a maturity of the bonds (the “10% Test”) is sold to the public as the issue price of that maturity, applied on a maturity-

by-maturity basis. The winning bidder shall advise the City if any maturity of the bonds satisfies the 10% Test as of the date and time of the award of the bonds; and

- b. Until the 10% Test has been satisfied as to each maturity of the bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all bonds of that maturity have been sold or (ii) the 10% Test has been satisfied as to the bonds of that maturity, provided that, the winning bidder's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

If the winning bidder does request that the "hold-the-offering price rule" apply to determine the issue price of the bonds, then the following three paragraphs shall apply:

- a. The winning bidder, in consultation with the City, may determine to treat (i) pursuant to the 10% Test, the first price at which 10% of a maturity of the bonds is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the bonds as the issue price of that maturity (the "hold-the-offering price rule"), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the bonds satisfies the 10% Test as of the date and time of the award of the bonds. The winning bidder shall promptly advise the City, at or before the time of award of the bonds, which maturities of the bonds shall be subject to the 10% Test or shall be subject to the hold-the-offering price rule or both.
- b. By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the bonds to the public on or before the date of the award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder, and (ii) if the hold-the-offering price rule applies, agree, on behalf of the underwriters participating in the purchase of the bonds, that the underwriters will neither offer nor sell unsold bonds of any maturity to which the hold-the-offering price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:
  - i. the close of the fifth (5<sup>th</sup>) business day after the sale date; or
  - ii. the date on which the underwriters have sold at least 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public;

The winning bidder shall promptly advise the City when the underwriters have sold 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the sale date.

- c. The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the

requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the bonds.

By submitting a bid, each bidder confirms that:

- a. any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A)(i) to report the prices at which it sells to the public the unsold bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% Test has been satisfied as to the bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

- b. any agreement among underwriters or selling group agreement relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (i) report the prices at which it sells to the public the unsold bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% Test has been satisfied as to the bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter, and (ii) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

Sales of any bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale.

Further, for purposes of this Notice of Sale:

- a. “public” means any person other than an underwriter or a related party,
- b. “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the bonds to the public);
- c. a purchaser of any of the bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
- d. “sale date” means the date that the bonds are awarded by the City to the winning bidder.

**QUALIFIED TAX EXEMPT OBLIGATIONS:** The City has designated the bonds as “qualified tax-exempt obligations” for purposes of the deduction of interest expense by financial institutions pursuant to the Code.

**LEGAL OPINION:** Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, a copy of which opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C. for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to validity of the above bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials. In submitting a bid for the bonds, the bidder agrees to the representation of the City by Miller, Canfield, Paddock and Stone, P.L.C., as bond counsel.

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

**CUSIP NUMBERS:** Upon the request of the successful bidder, CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds in accordance with terms of the purchase contract. Application for CUSIP identification numbers will be made by MFCI, LLC, registered municipal advisor to the City. The CUSIP Service Bureau's charge for the assignment of CUSIP identification numbers shall be paid by the purchaser.

**OFFICIAL STATEMENT:** A preliminary Official Statement that the City deems to be final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, has been prepared and may be obtained from MFCI, LLC, municipal advisor to the City, at the address and telephone listed under MUNICIPAL ADVISOR below. The City will provide the winning bidder with an electronic version of the final Official Statement within 7 business days from the date of sale to permit the purchaser to comply with Securities and Exchange Commission Rule 15c2-12. Copies of the Official Statement will be supplied by MFCI, LLC, upon request and agreement by the purchaser to pay the cost of the copies. Requests for copies should be made to MFCI, LLC within 24 hours of the time of sale.

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

FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE CITY.

**CONTINUING DISCLOSURE:** As described more fully in the Official Statement, the City has agreed to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, on or prior to the last day of the sixth month after the end of each fiscal year, commencing with the fiscal year ending June 30, 2022, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement relating to the bonds, (ii) timely notice of the occurrence of certain material events with respect to the bonds and (iii) timely notice of a failure by the City to provide the required annual financial information on or before the date specified in (i) above.

**BIDDER CERTIFICATION: NOT “IRAN-LINKED BUSINESS”** By submitting a bid, the bidder shall be deemed to have certified that it is not an “Iran-Linked Business” as defined in Act 517, Public Acts of Michigan, 2012, as amended, being MCL 129.311 et. seq.

**MUNICIPAL ADVISOR:** Further information relating to the bonds may be obtained from MFCI, LLC, 3150 Livernois Road, Suite 175, Troy, Michigan, 48083. Telephone: (313) 782-3011, Facsimile: (313) 782-3011.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Kyle Whitney  
City Clerk  
City of Marquette

*[End Notice of Sale Form]*

8. Useful Life of Projects. The estimated period of usefulness of the Projects is hereby declared to be not less than thirty (30) years.

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

10. Tax Covenant; Qualified Tax-Exempt Obligations. The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Code including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds. The City hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of deduction of interest expense by financial institutions pursuant to the Code.

11. Official Statement; Qualification for Insurance; Ratings. Either of the Authorized Officers is hereby 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 (the “Rule”) of the Securities and Exchange Commission (the “SEC”); (b) solicit bids for and approve the purchase of a municipal bond insurance policy for the Bonds, if deemed economically advantageous to the City; (c) apply for ratings on the Bonds; and, (d) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds.

12. Continuing Disclosure. 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 the Rule, and either Authorized Officer is hereby individually authorized to execute such undertaking prior to delivery of the Bonds.

13. Authorization of Other Actions. Either Authorized Officer is hereby individually 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 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, and other matters; *provided that* the principal amount of Bonds issued shall not exceed the principal amount authorized in this resolution, the purchase price for the Bonds shall not be less than 98.5% of the par value of the Bonds, and the true interest cost of the Bonds shall not exceed six percent (6.00%). Either Authorized Officer is hereby individually authorized and directed to take all other actions necessary or advisable, and to make such other filings with any parties, including the Michigan Department of Treasury, to enable the sale and delivery of the Bonds as contemplated herein.

14. Retention of Bond Counsel. The representation of the City by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel is hereby confirmed, notwithstanding Miller Canfield’s periodic representation in unrelated matters of other potential parties to the 2022 Capital Improvement Bonds transaction.

15. Retention of Municipal Advisor. The City hereby appoints MFCI, LLC to act as municipal advisor with respect to the Bonds.

16. 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: \_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Kyle Whitney, City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Marquette, County of Marquette, State of Michigan, at a regular meeting held on July 11, 2022, 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 amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

\_\_\_\_\_  
Kyle Whitney, City Clerk

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