

**AGENDA**  
**ISHPEMING CITY COUNCIL REGULAR MEETING**  
**Wednesday, May 3, 2017, at 7:00 p.m.**  
**Ishpeming City Hall Conference Room, 100 E. Division Street, Ishpeming MI**  
**City Hall Telephone Number: (906) 485-1091**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Comment
5. Approval of Agenda
6. Agenda Comment
7. Consent Agenda
  - a. Minutes of Previous Meeting (April 12<sup>th</sup> and 25<sup>th</sup>)
  - b. Approval of Disbursements (Councilman Koski and Councilman Lehmann)
  - c. Reappoint Paul Olson to a 5 year term on the Library Board
  - d. Reappoint Dave Morton, Edmond Holmgren, Stacia Lynn, and Angelo Bosio to 3 years terms on the Parks and Recreation Commission
  - e. Appoint Tracy Magnuson to a 5 year term on the Cemetery Board
  - f. Confirm appointment by City Manager of Councilman Skaug to the Lake Bancroft Area Development Committee
  - g. Special Event Application: St. Vincent DePaul Friends of the Poor Walk: August 25/26, 2017
8. Monthly Financial Statement Report
9. Marquette County Solid Waste Authority Amendment to the Articles of Incorporation
10. Purchase for public purpose foreclosed property from the County Treasurer
11. Recommendation from Cemetery Board for Budget Amendment for Cemetery Host App
12. Central Upper Peninsula Cooperative Weed Management Area Proposal
13. Bond Referendum Proposed Language
14. PFM Financial Advisors LLC Proposal
15. Old Business
16. New Business
17. Mayor and Council Reports
18. Manager's Report
19. Attorney's Report
20. Adjournment

Mark Slown  
City Manager

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CITY OF ISHPEMING

SPECIAL EVENT APPLICATION

Please complete this application and return it to the City Manager's Office at least 30 calendar days prior to the starting date of the event.

Organization's Name Society of St. Vincent DePaul Phone 486-6340  
Organization Address PO Box 2 Ishpeming MI 49849  
Organization's Agent Kelly Carlson Phone 906-250-6379  
Agent's Title Event Organizer  
Agent's Address 3759 Co Rd C Ishpeming, MI 49849  
Event Name St. Vincent DePaul Friends of the Poor Walk/Run  
Event purpose to raise money for people in  
our community in need  
Event Dates Set up 8/25/17 Event 8/26/17  
Event Times 8/26/17 @ 8am - noon  
Event Location Norththird St Heritage Trail to border  
of Negaunee

1. Type of Event:

- ☐ City Operated Event      ☐ Co-Sponsored Event  
☒ Other Non-Profit Event      ☐ Other For-Profit Event  
☐ Political or Ballot Issue Event

2. Annual Event: Is this event expected to occur next year? ☒ [YES] ☐ [NO]

If yes, you can reserve a date for next year with this application. To reserve dates for next year, please provide the following information:

Normal Event Schedule Set up night before - Event sign up 8am  
Next year's Specific Dates: 8/25/18 run at 10 am

3. An Event Map ☐ [Is] ☒ [Is Not] attached. If your event will use streets and/or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing the assembly and dispersal locations and the route plan. Also please show any streets or parking lots that you are requesting to be blocked off.

4. Vendors: Food Concessions? ☐ [Yes] ☒ [No] Other vendors? ☐ [Yes] ☒ [No]

5. Event signs: Will this event include the use of signs? ☒ [Yes] ☐ [No]

6. Other Requests: \_\_\_\_\_

7. CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that:

- a. A certificate of Insurance must be provided which names the City of Ishpeming as an additional named insured party on the policy.
- b. Event organizers and participants will be required to sign Indemnification Agreement forms.
- c. All food vendors must be approved by the Marquette County Health Department and each food vendor must provide the City with a Certificate of Insurance which names the City as an additional named insured on the policy.
- d. All liquor vendors must obtain a liquor license for the event which must be approved by the Michigan Liquor Control Commission and must provide the City with a Certificate of Insurance which names the City as an additional named insured on the policy.
- e. The approval of this special event may include additional requirements based on the City's review of this application in accordance with the City's Special Event Policy. The event will be operated in conformance with the written confirmation of approval.
- f. The organization will provide a security deposit for the estimated fees as may be required by the City and will promptly pay any billing for City services which may be rendered.

As the duly authorized agent of the organization, I hereby apply for approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with the City's Special Event Policy, the terms of the Written Confirmation of Approval, and all other City requirements, ordinance and other laws which apply to this Special Event.

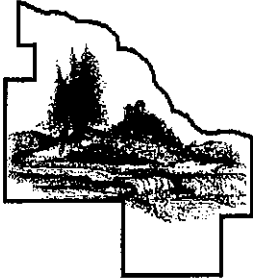
4-25-17  
Date

Kelly Lane  
Signature of Organization's Agent

Return this Application at least thirty (30) days prior to the first day of the event to:

City Manager's Office  
City Hall  
E. Division Street  
Ishpeming, Michigan 49849

7/21/15



## Marquette County Solid Waste Management Authority

600 COUNTY ROAD NP • MARQUETTE, MI 49855  
PHONE: (906) 249-4125 • FAX: (906) 249-9377

April 20, 2017

Dear Constituent Municipality:

As you are probably aware, there has been some issue recently with whether Marquette County should be a constituent municipality of the Marquette County Solid Waste Management Authority (the "Authority").

The County has never been a direct user of the Authority Landfill and simply provides its solid waste through one of the 22 constituent municipalities (19 townships and 3 cities). When the Landfill was being developed, the County agreed to provide funding to upgrade County Road NP (leading from Co Rd 480 to the Landfill) and to upgrade the bridge on County Road NP. There was a written agreement that the County's only responsibility and liability was for the County Road NP upgrades and the agreement expressly states:

- the road upgrades are the County's only obligation
- the County is not a user of the Landfill
- the County does not pledge its full faith and credit
- the County is not responsible for any system costs, or any other costs other than the road upgrades

The County fulfilled all of its obligations in the late 1980's and under the agreement the County no longer has any obligations or liabilities of any kind.

Consequently from the beginning of the Landfill in the late 1980's, until about two years ago, the County was not recognized as a constituent municipality by the Authority, the County Plan, or any filings with the State of Michigan. At that time, the Authority was addressing ambiguities and inconsistencies within the Intergovernmental Agreement and other plan documents and discovered that the County Board Chairperson in 1988 (Timothy Lowe) appeared to have been a signatory to the Intergovernmental Agreement. To address this inconsistency, the Authority asked the County if they wished to be a Constituent Municipality and they answered in the negative. The Authority proceeded to remove the County from being a Constituent Municipality.

Some of the Constituent Municipalities requested that the County be re-instated as a Constituent Municipality. The County indicated that it does not matter if they are re-instated as a Constituent Municipality, as long as they have no obligations, responsibilities, or liabilities, as was the case under the agreement to fund the road upgrades.

In order to allow the County to become a Constituent Municipality (with no obligations, responsibilities, or liabilities) it requires unanimous resolutions from all of the 22 current Constituent Municipalities (19 townships and 3 cities).

As a secondary matter, there is also an inconsistency with the statute as to whether the other Constituent Municipalities were properly admitted into the Authority. The statute states:

Any municipality which did not join in the incorporation of an authority may become a constituent part thereof by amendment to the articles of incorporation adopted by the legislative body of such municipality and by the legislative body of each municipality of which such authority is composed.

Any such amendment shall be indorsed, published, and certified printed copies filed, in the same manner as the original articles of incorporation, except that the printed copies shall be certified and filed by the recording secretary of the authority. MCL 124.286 (Public Act 233 of 1955).

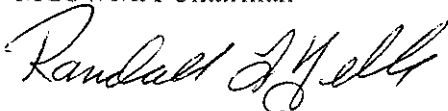
[T]he articles of incorporation shall be published at least once in a newspaper designated in the articles and having general circulation within the territory encompassed by the authority. One printed copy of the articles of incorporation certified as a true copy by the person or persons designated for the certification, with the date and place of the publication, shall be filed with the secretary of state and the clerk of the county within which the territory or the major portion of the territory is located. . . . MCL 124.282 (Public Act 233 of 1955).

Marquette City and Sands Township are the original incorporators of the Marquette County Solid Waste Management Authority. There is no documentation that an amendment to the articles of incorporation was properly executed, in accordance with the statute. An Interlocal agreement (in our case the Intergovernmental Agreement) does not supersede or displace the statutory requirements.

Therefore, please consider ratification of the following proposed amendment to the Authority's Articles of Incorporation:

If there are any questions, input, or concerns please contact me I will meet with you at my office, your board meeting, by phone or e-mail.

Randall L. Yelle  
MCSWMA Chairman





AMENDMENT TO THE ARTICLES OF INCORPORATION OF THE  
MARQUETTE COUNTY SOLID WASTE MANAGEMENT AUTHORITY

At a duly held meeting of the \_\_\_\_\_ (township or city), on \_\_\_\_\_, 2017, the named municipality, which is also a Constituent Municipality of the Marquette County Solid Waste Management Authority, passed a resolution to amend the Articles of Incorporation of the Marquette County Solid Waste Management Authority to include 1) the County of Marquette as a constituent member, with the following restrictions and limitations:

1. The County's only duty is to appoint Authority Board members in accordance with the Articles of Incorporation of the Authority and the Intergovernmental Agreement, and
2. The County has met all of its financial commitments, including the upgrade to County Road NP and the upgrade to the Carp River Bridge, and the County does not have any existing or future financial obligations or duties connected in anyway whatsoever with the operation of the Authority or the Marquette County Landfill, and
3. The County DOES NOT pledge its full faith and credit or provide any other guarantee as to the Authority or its operations.

2) to also include the following as Constituent Municipalities, pursuant to the requirements of an Intergovernmental Agreement previously executed by the municipalities:

Marquette City	Negaunee City	Ishpeming City
Champion Township	Marquette Township	Sands Township
Chocolay Township	Michigamme Township	Skandia Township
Ely Township	Negaunee Township	Tilden Township
Ewing Township	Powell Township	Turin Township
Forsyth Township	Republic Township	Wells Township
Humboldt Township	Richmond Township	West Branch Township
Ishpeming Township		

Attested to by:

/s/ \_\_\_\_\_

Printed Name:

Its:

\_\_\_\_\_

Date





**COUNTY OF MARQUETTE**  
OFFICE OF THE TREASURER  
234 W. BARAGA AVENUE  
MARQUETTE, MICHIGAN 49855  
906/225-8425  
fax 906/225-8432

**CITY OF ISHPERING**

APR 13 2017

**RECEIVED**  
ANNE GIROUX  
County Treasurer

April 11, 2017

Mark Slown, Manager  
City of Ishpeming  
100 E. Division  
Ishpeming, MI 49849

**CITY OF ISHPERING**

APR 13 2017

**RECEIVED**

Dear Mark,

Attached is a listing of parcels located in the City of Ishpeming that were foreclosed on April 1, 2017 for non-payment of 2014 real property taxes.

Per Public Act 123 of 1999 (MCL 211.78m), a city, village, or township may purchase for a public purpose foreclosed properties for the minimum bid amount. The minimum bid amount is listed on the attachment under the heading "Total Due," and represents the taxes, penalties, and fees that are due at this time. Please notify me by May 31, 2017, if the Township intends to purchase these parcels for public purpose. The Land Bank Authority is also interested in knowing whether the township would like the Authority to acquire the properties for the purpose of demolition. If you have any questions or want to discuss further, please feel free to call.

Sincerely,

Anne Giroux

Enclosure

Mark - I haven't  
looked at these yet  
but I'm guessing  
there are some  
demo candidates.

Anne

BY: agiroux

DB: Marquette

Year of Foreclosure: 2017

CITY OF ISHPEMING

Fees Computed As Of: 04/10/2017

Parcel Number	Base Tax Due Publication	Sale/Transfer Admin Fee Pers Visit	Status Interest Filing Exp	EOS Forf Rcdng	Forcl. Liber NSF/Other Rdmp Rcdng	Forcl. Page October Fee Frcl Rcdng	Date Recorded March Fee Sale Exp	Notice Exp Total Due
52-51-250-004-00	Not Transferred							
	5,386.30	215.46	704.83	0.00	0.00	30.00	350.00	0.00
	40.00	45.00	0.00	40.00	0.00	30.00	0.00	6,841.59
							Sale Amount	0.00
							Over/(Under)	(6,841.59)
2016	2,811.50	112.46	56.23	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,980.19
2015	1,975.40	79.02	414.84	0.00	0.00	15.00	175.00	0.00
	0.00	0.00	0.00	30.00	0.00	0.00	0.00	2,689.26
2014	599.40	23.98	233.76	0.00	0.00	15.00	175.00	0.00
	40.00	45.00	0.00	10.00	0.00	30.00	0.00	1,172.14
52-51-500-001-00	Not Transferred							
	416.48	16.65	85.75	0.00	0.00	30.00	350.00	0.00
	40.00	45.00	0.00	40.00	0.00	30.00	0.00	1,053.88
							Sale Amount	0.00
							Over/(Under)	(1,053.88)
2016	139.37	5.57	2.79	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	147.73
2015	139.49	5.58	29.29	0.00	0.00	15.00	175.00	0.00
	0.00	0.00	0.00	30.00	0.00	0.00	0.00	394.36
2014	137.62	5.50	53.67	0.00	0.00	15.00	175.00	0.00
	40.00	45.00	0.00	10.00	0.00	30.00	0.00	511.79
52-51-556-075-00	Not Transferred							
	3,585.76	143.43	600.67	0.00	0.00	30.00	350.00	0.00
	40.00	45.00	0.00	40.00	0.00	30.00	0.00	4,864.86
							Sale Amount	0.00
							Over/(Under)	(4,864.86)
2016	1,384.28	55.37	27.69	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,467.34
2015	1,586.60	63.46	333.18	0.00	0.00	15.00	175.00	0.00
	0.00	0.00	0.00	30.00	0.00	0.00	0.00	2,203.24
2014	614.88	24.60	239.80	0.00	0.00	15.00	175.00	0.00
	40.00	45.00	0.00	10.00	0.00	30.00	0.00	1,194.28
52-51-556-123-00	Not Transferred							
	260.28	10.41	47.42	0.00	0.00	30.00	350.00	0.00
	40.00	45.00	0.00	40.00	0.00	30.00	0.00	853.11
							Sale Amount	0.00
							Over/(Under)	(853.11)
2016	98.31	3.93	1.97	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	104.21
2015	98.42	3.94	20.67	0.00	0.00	15.00	175.00	0.00
	0.00	0.00	0.00	30.00	0.00	0.00	0.00	343.03
2014	63.55	2.54	24.78	0.00	0.00	15.00	175.00	0.00
	40.00	45.00	0.00	10.00	0.00	30.00	0.00	405.87

BY: agiroux

DB: Marquette

Year of Foreclosure: 2017  
 CITY OF ISHPEMING  
 Fees Computed As Of: 04/10/2017

Parcel Number	Base Tax Due Publication	Sale/Transfer Admin Fee Pers Visit	Status Interest Filing Exp	EOS Forf Rcdng	Forcl. Liber NSF/Other Rdmp Rcdng	Forcl. Page October Fee Frcl Rcdng	Date Recorded March Fee Sale Exp	Notice Exp Total Due
52-51-559-004-00	Not Transferred							
	5,076.41	203.05	1,156.26	0.00	0.00	30.00	350.00	0.00
	40.00	45.00	0.00	40.00	0.00	30.00	0.00	6,970.72
							Sale Amount	0.00
							Over/(Under)	(6,970.72)
2016	1,489.61	59.58	29.79	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,578.98
2015	1,513.25	60.53	317.79	0.00	0.00	15.00	175.00	0.00
	0.00	0.00	0.00	30.00	0.00	0.00	0.00	2,111.57
2014	2,073.55	82.94	808.68	0.00	0.00	15.00	175.00	0.00
	40.00	45.00	0.00	10.00	0.00	30.00	0.00	3,280.17
52-51-572-028-00	Not Transferred							
	4,403.53	176.14	989.21	0.00	0.00	30.00	350.00	0.00
	40.00	45.00	0.00	40.00	0.00	30.00	0.00	6,103.88
							Sale Amount	0.00
							Over/(Under)	(6,103.88)
2016	1,343.50	53.74	26.87	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,424.11
2015	1,283.76	51.35	269.59	0.00	0.00	15.00	175.00	0.00
	0.00	0.00	0.00	30.00	0.00	0.00	0.00	1,824.70
2014	1,776.27	71.05	692.75	0.00	0.00	15.00	175.00	0.00
	40.00	45.00	0.00	10.00	0.00	30.00	0.00	2,855.07

Staff present: Jon Kangas, DPW Director; Cathy Smith, Assistant to the City Manager; and Jay Wilder, Parks Foreman

Council Liaison: Mayor Joseph Juidici was absent.

Present: Karen Kasper, Dr. Stephen Piereson, and John French (arrived at 3:07). Absent: Cheryl Marietti and James Meyers.

The Ishpeming Cemetery Board meeting was held on Monday, March 20, 2017 at the City Hall Conference Room. The meeting was called to order at 3:07 p.m. by John French.

**PUBLIC COMMENT** – None.

#### **CEMETERY HOST APP AND DATA ACCESSABILITY**

Jim Argeropoulos explained the Cemetery Host system which would allow a search of the cemetery records online. He reviewed the three proposed cost options: Basic, Pro, and Community Premier. There was discussion on the various options, the features included with each option along with the cost; and whether some additional features could be included in the Basic package such as capability to view the usage of the site.

Member Kasper suggested the Marquette Genealogical Society be contacted to assist in mapping the blocks in the cemetery for the database.

A motion was made by Member Kasper, supported by Member Piereson, and carried unanimously to recommend the City Council amend the budget for the Cemetery Host Basic option in the amount of \$1,200 with an additional \$1,000 for the set-up fee.

#### **MINUTES OF THE PREVIOUS MEETING**

A motion was made by Member Piereson, supported by Member Kasper and carried unanimously to approve the minutes of January 16, 2017 as presented.

#### **CEMETERY REPORT**

Mr. Kangas summarized the cemetery report for January and February which included resident and non-resident burials. He further reported college students would be hired and cemetery clean up would begin in April.

A motion was made by Member Kasper, supported by Member Piereson and carried unanimously to approve the Cemetery Report as presented.

#### **MAY-OCTOBER 2017 CEMETERY OFFICE HOURS**

There was discussion on the proposed 2017 cemetery office hours for May 1<sup>st</sup> through October 31<sup>st</sup> from 11:00 a.m. to 3:00 p.m. Monday through Friday. It was suggested statistics be kept on the number of visitors received and what documents were being asked for. The Cemetery hours should also be posted on the website and on Facebook.

A motion was made by Member Piereson, supported by Member Kasper and carried unanimously to approve the Cemetery office hours for 2017 as Monday through Friday from 11:00 a.m. to 3:00 p.m. from May 1<sup>st</sup> to October 31<sup>st</sup>.

**OLD/NEW BUSINESS**

Mr. Kangas reported staff would attempt to use lime on a small area of creeping thyme in the Cemetery in hopes to eliminate it.

Discussion took place regarding the creation of a cemetery pamphlet. Member French offered his services for the preparation of a pamphlet. Staff would provide the previous pamphlet, with some additional content for the flyer, at a future meeting.

Member Piereson requested funds be set aside for the two priorities discussed at the previous meeting for Cemetery Office Building improvements and columbarium landscaping improvements.

**NEXT MEETING DATE AND PLACE – May 15, 2017**

The next meeting will be held May 15, 2017, in the Ishpeming City Hall Conference Room.

**ADJOURNMENT**

At 4:17 p.m., a motion was made by Member Kasper with support from Member Piereson to adjourn.

Respectfully submitted,



Cathy Smith  
Recording Secretary



CENTRAL UPPER PENINSULA  
COOPERATIVE WEED MANAGEMENT AREA



780 Commerce Drive Suite C, Marquette, Michigan, 49855  
(906)226-8871 ext. 116 ♦ cupcwma@gmail.com ♦ www.cupcwma.org

Marc Slown  
City of Ishpeming  
Ishpeming City Hall 100 E. Division Street  
Ishpeming, MI 49849

CITY OF ISHPERING

APR 06 2017

RECEIVED

April 4, 2017

Dear Mr. Slown:

To help protect and restore our unique ecosystems, the Central Upper Peninsula Cooperative Weed Management Area (CUPCWMA) has obtained state and federal grant funds to control high-priority invasive plants. CUPCWMA is a partnership between 28 entities, which includes public and private conservation organizations and businesses in the central Upper Peninsula of Michigan. Our funding is managed by the Marquette County Conservation District. To find out more about invasive plants, their environmental impact, our partners, and our work, please visit [www.cupcwma.org](http://www.cupcwma.org).

There is an invasive plant called *Alliaria petiolata* also known as garlic mustard growing on the property which you own and/or manage at: Lake Bancroft Park and the Iron Ore Heritage Trail (between 3rd - 7th streets in Ishpeming), and we have identified these sites as priorities for retreatment. These plants are some of the highest priority non-native and highly invasive plants in our region. We are concerned about impacts to the ecosystem and we would like to have our field technicians remove it for you.

We need to have your written permission in order to use grant funds to treat invasive species on your property. Even if you have given us permission to treat your property in the past, please formally reaffirm your consent for treatment by signing and returning the form enclosed with this letter. You may either mail it, scan and e-mail it to [cupcwma@gmail.com](mailto:cupcwma@gmail.com), or drop it off at our office at 780 Commerce Drive Suite C, Marquette, MI 49855.

Here are some facts our program:

- CUPCWMA will use hand-pulling removal techniques. **No herbicide will be used.**
- There is no cost to you, the landowner, for treatment in 2017.
- The treatment will occur during the growing season between May and Sept, at the appropriate stage of growth, as weather permits, supervised by trained staff. If requested, we will tell you the exact date of field work in advance by phone or e-mail.
- Most invasive species require repeated treatment to effectively knock them out, so we may need to retreat next year and continue to monitor for re-growth.
- **How to participate:** It's easy: just fill out and sign the permission form and return to CUPCWMA in the self-addressed stamped envelope enclosed for your convenience.
- **How to opt out:** If you change your mind and decide not to participate, please let us know in writing. ***We cannot treat your property without your expressed permission.***

Please contact us with any questions. 906-226-8871 ext. 116 and thank you for your cooperation and support in our battle against invasive plants. Please reply by April 30, 2017. Thank-you.

Sincerely,

Mindy Otto, CUPCWMA Coordinator



CENTRAL UPPER PENINSULA  
COOPERATIVE WEED MANAGEMENT AREA



780 Commerce Drive Suite C, Marquette, Michigan, 49855  
(906)226-8871 ext. 116 ♦ cupcwma@gmail.com ♦ www.cupcwma.org

PERMISSION TO CONDUCT INVASIVE SPECIES TREATMENT:

Landowner Name \_\_\_\_\_

Property Address \_\_\_\_\_

Mailing Address \_\_\_\_\_

*(if different)*

Parcel Number \_\_\_\_\_

*(can get from property tax bill, if possible)*

Phone Number \_\_\_\_\_

E-Mail \_\_\_\_\_

Preferred method of contact: \_\_\_\_\_

Species to be treated: *Alliaria petiolata* also known as garlic mustard

I give permission for CUPCWMA staff, field technicians, and volunteers to treat the above noted invasive plants on my property for the 2017 field season. I affirm that I own this property or am legally authorized to act on behalf of the owner of this property. *(If requested) I am able to provide a copy of a deed, or most recent property tax statement showing landowner name and legal description or a signed affidavit signifying ownership.*

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_



13

April 27, 2017

Mr. Mark Slown, Manager  
City of Ishpeming  
100 East Division Street  
Ishpeming, MI 49849-2084

RE: City of Ishpeming - Proposed Unlimited Tax General Obligation Bonds

Dear Mr. Slown:

**pfm**

555 Briarwood Circle  
Suite 333  
Ann Arbor, MI 48108  
734.994.9700

**pfm.com**

The following is PFM Financial Advisors LLC ("PFMFA") engagement letter to provide Financial Advisory Services to the City in connection with the above referenced Bonds. A general summary of the services PFMFA will provide in the *financial advisory capacity* for each series of bonds is as follows and any material changes in or additions to the scope of services described below shall be promptly reflected in writing:

*Develop and Monitor Financing Schedule*

- Coordinates a plan for timely completion of the financing

*Analyze Debt Structure Alternatives*

- Design a structure which seeks to maximize market interest and future financing flexibility while being consistent with debt needs and policies

*Review Existing Debt Structure*

- Document current debt structure
- Identify strengths and weaknesses of structure in order to structure future debt issues that seek to maximize the ability to finance future capital needs
- Identify refunding opportunities

*Assistance completing Department of Treasury Applications*

- Prepare necessary financial schedules required for filing with the Department of Treasury
- Prepare necessary applications required by the Department of Treasury

*Advise on the sale method (Negotiated Sale, Competitive Sale or Private Placement)*

- Tailor debt issue to efficiently market debt, and that seeks to maximize investor interest or minimize interest cost to the City

*Assist the City with the Selection of Working Group Members, if requested*

- Coordinate the selection of a team that can effectively bring an issue to market, if requested

*Develop Terms of the Financing*

- Assist in helping to ensure credit quality and present terms which are attractive to investors to create broad-based interest in the debt
- Assist in helping to maximize City's future flexibility

*Review and Assist in Preparing Marketing Information*

- PFMFA will review marketing materials to assist with accuracy and completeness.
- PFMFA will assist in preparing a comprehensive Official Statement or Marketing Information package, as applicable





#### *Develop Financing Documents*

- Assist the City by reviewing all contractual and business terms from the City's perspective

#### *Develop Marketing Plan*

- With an objective to maximize underwriter and investor interest in the securities

#### *Develop Rating Presentation and/or Assist with Rating Calls or Meetings*

- To seek to obtain highest possible credit rating for debt issue
- Formulate and implement long-term credit rating strategy

#### *Assist with Obtaining Credit Enhancements, if Necessary*

- PFMFA will work with the City and other working group members to determine if credit enhancement is beneficial to the City and if so, will coordinate obtaining pricing on credit enhancements and advise the City as to the cost benefit of the purchase of the credit enhancement.

#### *Timing Entry into the Market*

- Schedule bond sale around other pertinent/comparable financings as well as the release of various economic indicators

#### *Assist With Pricing of Bonds*

- Assist City in obtaining the lowest interest rate for given market
- Provide written documentation of acceptability of pricing

#### *Prepare Post-Sale Information*

- Prepare a results of bidding or sale summary
- Prepare final payment schedules and applications
- Assist with the preparation of closing information including closing statements, schedules and information

#### *Closing Activities*

- Handle all activities necessary to assist in ensuring a smooth closing of the bonds

#### *Fees for Services*

A base fee of \$7,800  
plus \$5.00 for each \$1,000 of bonds issued in excess of \$500,000 up to \$1,000,000  
plus \$2.00 for each \$1,000 of bonds issued in excess of \$1,000,000 up to \$5,000,000  
plus \$1.25 for each \$1,000 of bonds issued in excess of \$5,000,000 up to \$10,000,000  
plus \$1.00 for each \$1,000 of bonds issued in excess of \$10,000,000 up to \$25,000,000  
plus \$0.90 for each \$1,000 of bonds issued in excess of \$25,000,000 up to \$75,000,000  
plus \$0.80 for each \$1,000 of bonds issued in excess of \$75,000,000 up to \$100,000,000  
plus \$0.75 for each \$1,000 of bonds issued in excess of \$100,000,000

Any travel and out-of-pocket expenses for attendance at meetings at the request of the City will be billed in addition to the above fee. The Municipal Advisory Council assessment of \$400 per bond issue would also be in addition to this fee. If the City does not proceed with the financing, no fee would be due to PFMFA, except for travel expenses incurred at the City's request.



This engagement may be extended to other issuances by mutual agreement between the City and PFM Financial Advisors LLC.

#### **Registered Municipal Advisor**

Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") makes it unlawful for municipal advisors to provide advice regarding municipal financial products or the issuance of municipal securities without being registered with the Municipal Securities Rulemaking Board ("MSRB").

#### **Conflict of Interest**

Attached please find a copy the **DISCLOSURE OF CONFLICTS OF INTEREST AND OTHER INFORMATION** we have prepared for the City.

#### **Termination of Engagement:**

This engagement may be terminated by either party with 30 days' notice. If the termination occurs mid-transaction, the City would pay PFMFA a mutually agreeable amount for services rendered on the transaction up to the point of termination.

Should you have any questions or require additional information, please call. Again, thank you for the opportunity to continue to represent you on your financings.

Respectfully submitted,

Kari L. Blanchett  
Managing Director



## DISCLOSURE OF CONFLICTS OF INTEREST AND OTHER INFORMATION PFM Financial Advisors LLC

### I. Introduction

PFM Financial Advisors LLC (hereinafter, referred to as "We," "Us," or "Our") is a registered municipal advisor with the Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2. In accordance with MSRB rules, this disclosure statement is provided by Us to each client prior to the execution of Our advisory agreement with written disclosures of all material conflicts of interests and legal or disciplinary events that are required to be disclosed with respect to providing financial advisory services pursuant to MSRB Rule G-42(b) and (c) (ii). We employ a number of resources to identify and subsequently manage actual or potential conflicts of interest in addition to disclosing actual and potential conflicts of interest provided herein.

**pfm**

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#### *How We Identify and Manage Conflicts of Interest*

**Code of Ethics.** The Code requires that all employees conduct all aspects of Our business with the highest standards of integrity, honesty and fair dealing. All employees are required to avoid even the appearance of misconduct or impropriety and avoid actual or apparent conflicts of interest between personal and professional relationships that would or could interfere with an employee's independent exercise of judgment in performing the obligations and responsibilities owed to a municipal advisor and Our clients.

**Policies and Procedures.** We have adopted policies and procedures that include specific rules and standards for conduct. Some of these policies and procedures provide guidance and reporting requirements about matters that allows Us to monitor behavior that might give rise to a conflict of interest. These include policies concerning the making of gifts and charitable contributions, entertaining clients, and engaging in outside activities, all of which may involve relationships with clients and others that are important to Our analysis of potential conflicts of interest.

**Supervisory Structure.** We have both a compliance and supervisory structure in place that enables Us to identify and monitor employees' activities, both on a transaction and Firm-wide basis, to ensure compliance with appropriate standards. Prior to undertaking any engagement with a new client or an additional engagement with an existing client, appropriate municipal advisory personnel will review the possible intersection of the client's interests, the proposed engagement, Our engagement personnel, experience and existing obligations to other clients and related parties. This review, together with employing the resources described above, allows Us to evaluate any situations that may be an actual or potential conflict of interest.

**Disclosures.** We will disclose to clients those situations that We believe would create a material conflict of interest, such as: 1) any advice, service or product that any affiliate may provide to a client that is directly related to the municipal advisory work We perform for such client; 2) any payment made to obtain or retain a municipal advisory engagement with a client; 3) any fee-splitting arrangement with any provider of an investment or services to a client; 4) any conflict that may arise from the type of compensation arrangement We may have with a client; and 5) any other actual or potential situation that We are or become aware of that might constitute a material conflict of interest that could reasonably expect to impair Our ability to provide advice to or on behalf of clients consistent with regulatory requirements. If We identify such situations or circumstances, We will prepare meaningful disclosure that will describe the implications of the situation and how We intend to manage the situation. We will also disclose any legal or disciplinary events that are material to a client's evaluation or the integrity of Our management or advisory personnel. We will provide this disclosure (or a means to access this information) in writing prior to starting Our proposed engagement, and will provide such additional information or clarification as the client may request. We will also advise Our clients in writing of any subsequent material conflict of interest that may arise, as well as the related implications, Our plan to manage that situation, and any additional information such client may require.



## **II. General Conflict of Interest Disclosures**

### ***Disclosure of Conflicts Concerning the Firm's Affiliates***

Our affiliates offer a wide variety of financial services, and Our clients may be interested in pursuing services separately provided by an affiliate. The affiliate's business with the client may be perceived as an incentive for Us to recommend a course of action designed to increase the level of the client's business activities with the affiliate or to recommend against a course of action that would reduce the client's business activities with the affiliate. In either instance, We may be perceived as recommending services for a client that are not in the best interests of Our clients, but rather are in Our interests or the interests of Our affiliates. Accordingly, We mitigate any perceived conflict of interest that may arise in this situation by disclosing it to the client, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances. Further, We receive no compensation from Our affiliates with respect to a client introduction or referral. If a client chooses to work with an affiliate, We require that the client consult and enter into a separate agreement for services, so that the client can make an independent, informed, evaluation of the services offered.

### ***Disclosure of Conflicts Related to the Firm's Compensation***

From time to time, We may be compensated by a municipal advisory fee that is or will be set forth in an agreement with the client to be, or that has been, negotiated and entered into in connection with a municipal advisory service. Payment of such fee may be contingent on the closing of the transaction and the amount of the fee may be based, in whole or in part, on a percentage of the principal or par amount of municipal securities or municipal financial product. While this form of compensation is customary in the municipal securities market, it may be deemed to present a conflict of interest since We may appear to have an incentive to recommend to the client a transaction that is larger in size than is necessary. Further, We may also receive compensation in the form of a fixed fee arrangement. While this form of compensation is customary, it may also present a potential conflict of interest, if the transaction requires more work than contemplated and We are perceived as recommending a less time consuming alternative contrary to the client's best interest so as not to sustain a loss. Finally, We may contract with clients on an hourly fee bases. If We do not agree on a maximum amount of hours at the outset of the engagement, this arrangement may pose a conflict of interest as We would not have a financial incentive to recommend an alternative that would result in fewer hours. We manage and mitigate all of these types of conflicts by disclosing the fee structure to the client, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances.

### ***Disclosure concerning providing services to State and Local Government Clients***

We regularly provide municipal advisory services to state and local governments, their affiliates, and component units. While Our clients have expressed that this experience in providing services to a wide variety of clients generally provides great benefit for all of Our clients, there may be or may have been clients with interests that are different from (and adverse to) other clients. If for some reason any client sees Our engagement with any other particular client as a conflict, We will mitigate this conflict by engaging in a broad range of conduct, if and as applicable. Such conduct may include one or any combination of the following: 1) disclosing the conflict to the client; 2) requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, including the client's needs, objectives and financial circumstances; 3) implementing procedures that establishes an "Informational Bubble" that creates physical, technological and procedural barriers and/or separations to ensure that non-public information is isolated to particular area such that certain governmental transaction team members and supporting functions operate separately during the course of work performed; and 4) in the rare event that a conflict cannot be resolved, We will withdraw from the engagement.



***Disclosure Related to Legal and Disciplinary Events***

As a registered municipal advisor with the Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2, Our legal, disciplinary and judicial events are required to be disclosed on Our forms MA and MA-I filed with the SEC, in 'Item 9 Disclosure Information' of form MA, 'Item 6 Disclosure Information' of form MA-I, and if applicable, the corresponding disclosure reporting page(s) ("DRP"). To review the foregoing disclosure items and material change(s) or amendment(s), if any, clients may electronically access PFM Financial Advisors LLC filed forms MA and MA-I on the SEC's Electronic Data Gathering, Analysis, and Retrieval system, listed by date of filing starting with the most recently filed, at:

PFM Financial Advisors LLC (PFMFA):

<http://www.sec.gov/cgi-bin/browse-edgar?company=PFM+Financial&owner=exclude&action=getcompany>

**III. Specific Conflicts of Interest Disclosures – City of Ishpeming Proposed Unlimited Tax General Obligation**

To Our knowledge, following reasonable inquiry, We make the additional disclosure of actual or potential conflicts of interest cited below in connection with the municipal advisory services currently being contemplated for client.

From time to time We may represent a Municipal Entity client and an Obligated Person on the same side of a transaction. This situation may present a potential conflict of interest if Our fiduciary duty to the Municipal Entity and duty of care owed to the Obligated Person represent competing interests. Accordingly, We mitigate this conflict of interest by disclosing it to clients, requiring separately negotiated agreements between Us and each client, and requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances.

Date: April 27, 2017