



301 East Main Street  
Lowell, Michigan 49331  
Phone (616) 897-8457  
Fax (616) 897-4085

CITY OF LOWELL  
CITY COUNCIL AGENDA  
MONDAY, APRIL 17, 2017, 7:00 P.M.

1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL

2. CONSENT AGENDA

- Approval of the Agenda.
- Approve and place on file the joint minutes of the April 3, 2017 City Council of the Whole Agenda meeting.
- Approve and place on file the regular minutes of the April 3, 2017 City Council meeting.
- Authorize payment of invoices in the amount of \$619,488.02

3. CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA

IF YOU WISH TO ADDRESS AN AGENDA ITEM, PUBLIC COMMENT FOR EACH ITEM WILL OCCUR AFTER THE INITIAL INFORMATION IS SHARED ON THE MATTER AND INITIAL DELIBERATIONS BY THE PUBLIC BODY. PUBLIC COMMENT WILL OCCUR BEFORE A VOTE ON THE AGENDA ITEM OCCURS.

4. OLD BUSINESS

- a. Resolution – 08-17 – Installment Purchase Agreement to Finance the Cost of a Skid-Steer
- b. Resolution – 10-17 – Approving and Authorizing Execution of an Installment Purchase Agreements Payment Agreement with the City of Lowell Downtown Development Authority Related to the Financing of the Cost of Purchasing a Wheel Loader and Skid-Steer Loader

5. NEW BUSINESS

- a. Arbor Board Comprehensive Tree Plan
- b. Arbor Day Proclamation
- c. Engineering for Jefferson Street Repaving
- d. Wayfinding Signage – Grant from Community Fund
- e. Friends of the Library Agreement
- f. Fireworks Permit for Riverwalk Festival

6. MONTHLY REPORTS

7. BOARD/COMMISSION REPORTS

8. MANAGER'S REPORT

9. COUNCIL COMMENTS

## 10. ADJOURNMENT

NOTE: Any person who wishes to speak on an item included on the printed meeting agenda may do so. Speakers will be recognized by the Chair, at which time they will be allowed five (5) minutes maximum to address the Council. A speaker representing a subdivision association or group will be allowed ten (10) minutes to address the Council.



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## MEMORANDUM

TO: Lowell City Council

FROM: Michael Burns, City Manager

RE: Council Agenda for Monday, April 17, 2017

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4. OLD BUSINESS

- a. Resolution – 08-17 – Installment Purchase Agreement to Finance the Cost of a Skid-Steer

Recommended Motion – That the City Council approve Resolution – 08-17.

- b. Resolution – 10-17 – Approving and Authorizing Execution of an Installment Purchase Agreements Payment Agreement with the City of Lowell Downtown Development Authority Related to the Financing of the Cost of Purchasing a Wheel Loader and Skid-Steer Loader

Recommended Motion – That the City Council approve Resolution – 10-17

5. NEW BUSINESS

- a. Arbor Board Comprehensive Tree Plan. Memo is provided from DPW Director Rich LaBombard.

Recommended Motion: that the City Council adopt the 2017-2018 Comprehensive Tree Plan as presented by the Arbor Board.

- b. Arbor Day Proclamation. The proclamation will be read into record by Mayor Mike DeVore.
- c. Engineering for Jefferson Street Repaving. Memo is provided from DPW Director Rich LaBombard.

Recommended Motion: That the City Council approve Williams & Works proposed Scope of Services for Construction Engineering Services in the amount of \$49,800.

- d. Wayfinding Signage – Grant from Community Fund. Memo is provided from City Manager Michael Burns.

Discussion on this item should be held.

- e. Friends of the Library Agreement. Memo is provided from DPW Director Rich LaBombard.

Recommended Motion: That the City enter into agreement with the Friends of the Library for creating the first phase of the Englehardt Library reading garden.

- f. Fireworks Permit for Riverwalk Festival. Memo is provided from City Manager Michael Burns.

Recommended Motion: That the City Council approve the request from the Lowell Area Chamber of Commerce for a fireworks display on Saturday, July 8, 2017.

6. BOARD/COMMISSION REPORTS

7. MONTHLY REPORTS

8. MANAGER'S REPORT

9. COUNCIL COMMENTS

10. ADJOURNMENT

**PROCEEDINGS  
OF  
THE COMMITTEE OF THE WHOLE  
OF THE  
CITY OF LOWELL  
MONDAY, APRIL 3, 2017, 7:00 P.M.**

**1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL.**

The Meeting was called to order at 7:00 p.m. by Mayor Mike DeVore and Deputy City Clerk Theresa Mundt called roll.

Present: Councilmembers Greg Canfield, Jim Hodges, Jeff Phillips, Alan Teelander and Mayor DeVore.

Absent: None.

Also Present: City Manager Mike Burns, City Deputy Clerk Theresa Mundt, City Attorney Richard Wendt, Sergeant Christopher Hurst, Lowell Light and Power General Manager Steve Donkersloot and DPW Director Rich LaBombard.

Planning Commission: Chair Bruce Barker, Commissioner John Gerard, and Commissioner Marty Chambers.

Parks & Recreation: Chair Perry Beachum, Paula Mierendorf, and Luanne Wisniewski.

Also Present: Betsy Davidson, Al Halbeisen, Dave Austin of Williams and Works, Jeanette Bloom of the DNR, Tina Dickerman Friends of the Fred Meijer Rails to Trails, Andrea Ketchmark of the North Country Trails, and Robert Brown.

**2. APPROVAL OF THE AGENDA**

IT WAS MOVED BY CANFIELD and seconded by TEELANDER to approve the agenda as written.

YES: Councilmember Canfield, Mayor DeVore, Councilmember Hodges, Councilmember Phillips, and Councilmember Teelander. NO: None. ABSENT: None. MOTION CARRIED.

**3. CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA.**

There were no comments.

**4. DISCUSSION REGARDING COMMUNITY TRAILS**

The City Council requested their first Committee of the Whole meeting be held to discuss the trail system and to clarify any confusion there may be. City Manager Michael Burns stated Williams and Works Engineer Dave Austin was present to provide an update as to where the City is with the current trail plan. In addition, City Attorney Richard Wendt was present to guide the group through concerns regarding the need to change the ordinance pertaining to sidewalks in order for the trail to go in.

Austin gave a broad overview of the trails coming into the City of Lowell. There are many great things going on in the Lowell community. We are home to the Lowell Area Recreational Authority that was formed many years ago in order to develop a community wide trail system within the entire community. In

2009 a grant was received to begin the first phase of the LARA trail that travels from Foreman to Gee and up to the high school. This was the first phase of the master plan. Concurrent to that there are no longer trains coming through anymore allowing for the ability to secure the railway's right of ways, creating 125 mile continuous rail trail system. A grant is also being applied for that will connect Lowell to Saranac and Lowell to Belding. While the City was building an internal system, the regional trail system was also being developed east and north. When completed, this trail will be the fifth longest rail trail system in the country. In addition to that we are home to the North Country Trail, which is a foot trail.

Austin explained several different routes were considered and after reviewing it with several committees, a route was agreed upon traveling along Gee Drive to Sibley to Valley Vista. It would guide riders through town onto Main Street. It is a common practice to use existing streets as a trail option. The riders would then continue south on Bowes Road to Hudson. An underpass near the river could be built to cross under Hudson. The trail would travel through the fairgrounds and crossing the Flat River with a short bridge, winding up by King Street and working its way down through the existing recreation properties to the South Jackson and crossing over the Grand River.

Austin advised that is the preferred option, noting the DNR in conjunction with the National Parks System, did a study of the Master Plan and identified communities that would be trail hubs. Lowell was selected as one of these and would bring more people to the commercial businesses and community. Austin explained MDOT and the DNR are interested in closing this gap. The primary funder would be MDOT with about 60% while the DNR has potential for trust fund dollars.

Councilmember Canfield believed the City should find a way to make this happen without making it a burden on the property owners.

Burns questioned if there would be any ordinance changes. Wendt explained if the sidewalk is expanded to ten feet then it is deemed a trail and is no longer the property owners responsibility; however it remains five feet in width it is still the owners responsibility. Wendt went on to state the Michigan Motor Vehicle Code states if bicycles are allowed on a sidewalk, the bicyclist must give an audible signal before overtaking the pedestrian.

Austin advised the City may want to include a map in the ordinance defining the sections of the trail going through the City of Lowell.

Wendt advised the easements that are in favor of the City will require the approval of the City Council.

Wendt confirmed LARA had insurance. He then advised they could add the property owner as an indemnification to their policy. The question then came up about maintenance. Burns questioned the additional costs to the City.

Robert Brown spoke about options for maintenance. He advised one community hires out high school athletes and donations are made to different programs within the athletic department for their efforts. Brown advised the City of Lowell has approximately two miles of trails to maintain.

Councilmember Hodges stated he was in favor of the trails.

Planning Commission Chair Bruce Barker spoke in reference to bike trails in South Haven and encouraged everyone to see how they are marked.

Burns questioned when the MDOT application would be completed. Austin responded in the summer as MDOT reviews such applications quarterly. He also noted it would take approximately one year to obtain funding.

Wendt asked Austin who would be responsible for the operation and maintenance when the trails are constructed. He also questioned the definition of what is a sidewalk versus a pathway. Austin explained the ordinance addresses sidewalks and he understood the City would define what a trail is or incorporate maps into the ordinance. Wendt suggested LARA request that the City add this to the ordinance and also request how the maintenance of the trail would take place.

5. ADJOURNMENT.

IT WAS MOVED BY HODGES and seconded by TEELANDER to adjourn at 6:44 p.m.

YES: 5. NO: None. ABSENT: None. MOTION CARRIED.

DATE:

APPROVED:

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Mike DeVore, Mayor

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Susan Ullery, City Clerk

**PROCEEDINGS  
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CITY COUNCIL  
OF THE  
CITY OF LOWELL  
MONDAY, APRIL 3, 2017, 7:00 P.M.**

**1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL.**

The Meeting was called to order at 7:00 p.m. by Mayor Mike DeVore and Deputy City Clerk Theresa Mundt called roll.

Present: Councilmembers Greg Canfield, Jim Hodges, Jeff Phillips, Alan Teelander and Mayor DeVore.

Absent: None.

Also Present: City Manager Mike Burns, City Attorney Richard Wendt, Deputy City Clerk Theresa Mundt, Police Sergeant Christopher Hurst, Lowell Light and Power General Manager Steve Donkersloot and DPW Director Rich LaBombard.

**2. APPROVAL OF THE CONSENT AGENDA**

Councilmember Hodges asked to add "Item j" under to the agenda under "New Business" to discuss New Water and Sewer Services.

IT WAS MOVED BY HODGES and seconded by PHILLIPS to approve the consent agenda as amended.

- Approval of the Agenda.
- Approve and place on file the regular and closed session minutes of the March 20, 2017 City Council meeting.
- Authorize payment of invoices in the amount of \$175,368.53.

YES: Councilmember Canfield, Mayor DeVore, Councilmember Hodges, Councilmember Phillips, and Councilmember Teelander. NO: None. ABSENT: None. MOTION CARRIED.

**3. CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA.**

Perry Beachum of 924 Riverside and Chair of Lowell Parks and Rec Committee spoke in reference to filling out the Parks and Rec surveys, which should be turned in by April 17, 2017.

**4. OLD BUSINESS.**

- a. Nothing to report.

**5. NEW BUSINESS.**

- a. Compensation Cut.

City Manager Mike Burns advised King Milling is in the process of building new grain bins on their site for their business operations. As a result, they will need to raise the grade of their site to allow for the bins to be installed. This will cause changes to the flood plain. In order to keep within compliance of regulations regarding the flood plain, King Milling will need to provide a compensation cut at another



location. This was an action directed for them by the Planning Commission and will be required by the Michigan Department of Environmental Quality (DEQ).

The proposed financial compensation may be to restore the area to a better condition (i.e. flat, smooth, guaranteed grass growth). DPW will request to have the final sign off on the finished product to ensure all areas are properly restored and no damage to parking lot and curbs have occurred during the project. This matter has been presented to both the Arbor Board and Parks Commission. Neither entity had an issue with the request. The Arbor Board requested for \$500 in compensation to their fund in the event any trees are removed. Burns also advised that soil borings should be added at the site and request King Milling to pay for the borings.

IT WAS MOVED BY HODGES and seconded by PHILLIPS to allow King Milling to make the appropriate Compensation Cut at Stoney Lakeside Park to mitigate flood plain issues at their current site, including soil borings as required.

YES: Mayor DeVore, Councilmember Hodges, Councilmember Phillips, Councilmember Teelander, and Councilmember Canfield. NO: None. ABSENT: None. MOTION CARRIED.

b. Resolution 05-17 – Installment Purchase Agreement to Finance the Cost of a Natural Gas Compressor.

City Manager Mike Burns explained the Installment Purchase Agreements involving the compressor that Lowell Light and Power is purchasing.

IT WAS MOVED BY TEELANDER and seconded by HODGES to approve Resolution 05-17.

YES: Councilmember Hodges, Councilmember Phillips, Councilmember Teelander, Councilmember Canfield, and Mayor DeVore. NO: None. ABSENT: None. MOTION CARRIED.

c. Resolution 06-17 – approving and Authorizing Execution of an Installment Purchase Agreement Payment Agreement with the Lowell Board of Light and Power.

IT WAS MOVED BY CANFIELD and seconded by TEELANDER to approve Resolution 06-17.

YES: Councilmember Phillips, Councilmember Teelander, Councilmember Canfield, Mayor DeVore and Councilmember Hodges. NO: None. ABSENT: None. MOTION CARRIED.

d. Resolution 07-17 – Installment Purchase Agreement to Finance the Cost of a Wheel Loader.

IT WAS MOVED BY HODGES and seconded by TEELANDER to approve Resolution 07-17.

YES: Councilmember Teelander, Councilmember Canfield, Mayor DeVore, Councilmember Hodges and Councilmember Phillips. NO: None. ABSENT: None. MOTION CARRIED.

e. Resolution 08-17 – Installment Purchase Agreement to Finance the Cost of a Skid-Steer Loader.

IT WAS MOVED BY PHILLIPS and seconded by TEELANDER to approve Resolution 08-17.

YES: Councilmember Canfield, Mayor DeVore, Councilmember Hodges, Councilmember Phillips, and Councilmember Teelander. NO: None. ABSENT: None. MOTION CARRIED.

- f. Resolution 09-17 – Approving and Authorizing Execution of an Installment Purchase Agreements Payment Agreement with the City of Lowell Downtown Development Authority Related to the Financing of the Cost of Purchasing a Wheel Loader and Skid-Street Loader.

This is an agreement that both the DDA and the City Council need to approve for an agreement to pay for the equipment. The DDA agrees to pay 40% of the Front End Loader and Skid-Street Loader.

IT WAS MOVED BY HODGES and seconded by TEELANDER to approve Resolution 09-17.

YES: Mayor DeVore, Councilmember Hodges, Councilmember Phillips, Councilmember Teelander, and Councilmember Canfield. NO: None. ABSENT: None. MOTION CARRIED.

- g. Jefferson Street Bids.

On March 22, 2017, bids were received for the North Jefferson Street Resurfacing and Utility Improvement project. A total of seven bids were received and the results of the reviewed bid amounts are listed. The recommendation is that the City Council accept CL Trucking and Excavating's bid of \$449,110.50 for the N. Jefferson Street Resurfacing and Utility Improvement project.

IT WAS MOVED BY TEELANDER and seconded by PHILLIPS to accept CL Trucking and Excavating's bid of \$449,110.50 for the N. Jefferson Street Resurfacing and Utility Improvement project.

YES: Councilmember Hodges, Councilmember Phillips, Councilmember Teelander, Councilmember Canfield, and Mayor DeVore. NO: None. ABSENT: None. MOTION CARRIED.

- h. Street Sweeping.

DPW Director Rich LaBombard advised one of the City's routine street maintenance items is to have the streets swept twice a year in April and November. Sweeping involves collecting, transporting and disposal of debris along the street curbs and edges and prevents debris going into the City's storm drain system. Approximately 5 miles of major streets and 40.4 miles of local streets are swept. Sanisweep, Inc. of Grand Rapids was awarded the street sweeping contract for the past two years. Sanisweep's contract expired in December of 2016. Recommendation for the City Council to approve an expenditure of \$15,500 for the purpose of the 2017 spring street sweeping.

IT WAS MOVED BY HODGES and seconded by CANFIELD to approve the spring street sweeping in the amount of \$15,500.

YES: Councilmember Phillips, Councilmember Teelander, Councilmember Canfield, Mayor DeVore and Councilmember Hodges. NO: None. ABSENT: None. MOTION CARRIED.

i. Event Reimbursement

City Manager Mike Burns advised it was brought to his attention that there is a policy for reimbursement for police services for many community events. While there are a number of events in the City that would require foot patrols for (i.e. Kent County Youth Fair and Riverwalk), there is an obvious additional cost for those services.

Burns stated he wanted to have discussion with the Council regarding the idea of waiving the collection of fees for parades only, noting four parades were held last year.

Councilmember Hodges commented that parades and other events held by nonprofits enhance our community and make it an exciting place to live in. Councilmembers Teelander and Phillips agreed.

By general consensus, the Council agreed to waive the fees for future parades.

j. New Water and Sewer Services

Several retail and service businesses are planning on establishing new locations within the City of Lowell. Those new businesses require city water and sanitary services; however, those services are not presently available or require a repair in order to connect the new customers to existing underground utility services. The Department of Public Works requested quotes from qualified contractors to repair or install new underground utility services at three locations throughout Lowell to provide water and/or sewer service. The locations and services quoted are 312 E. Main Street, 2340 W. Main Street, and the vacant lot on Bowes Road.

Lee's Trenching Service was the low bidder for each of the three locations with a total project cost of \$20,500.

IT WAS MOVED BY TEELANDER and seconded by PHILLIPS to approve Lee's Trenching Service, Inc. of Byron Center, Michigan to install or repair underground water and/or sewer services at various locations for a cost not to exceed \$20,500.

YES: Councilmember Canfield, Mayor DeVore, Councilmember Hodges, Councilmember Phillips, and Councilmember Teelander. NO: None. ABSENT: None. MOTION CARRIED.

6. BOARDS AND COMISSION REPORTS.

Councilmember Phillips advised at the last Historic Commission meeting, they had permits for 223 W. Main and 312 E. Main for signage. Phillips also mentioned receiving some project updates on 312 E. Main for renovations, 318 E. Main for exterior renovations, 120 W. Main for exterior renovations, 216 W. Main for painting and awnings, and 215 W. Main for window replacements. Phillips stated that the next Historical District Commission's next meeting is April 25, 2017.

Councilmember Hodges advised the Look Memorial Fund is accepting grant requests until 4:00 p.m. on April 28<sup>th</sup>. Hodges advised the committee will then meet and make decisions. Hodges stated that last Monday, the Lowell Area Fire Authority met and discussed the sale of truck assets, fund balance, fire arms carry policy, and grant status. Hodges advised there was discussion on possibly inspection charges for

various businesses and organizations. Hodges commented there was also a discussion on a presentation by Rockford Ambulance and a review of the public presentation on what the services does.

Councilmember Canfield advised Parks and Rec met and Dave Austin with Williams and Works is in the process of updating the five year plan. Canfield mentioned the Parks survey that can be taken on line or in person at City Hall for their input for the parks.

Councilmember Teelander advised the Planning Commission had a special meeting to discuss Ronda Auto's new building on Bowes Road.

Mayor DeVore reminded everyone the Community Fund Grant applications are due by 4:00 p.m. on April 21<sup>st</sup>. He also advised the Chamber of commerce meeting is Tuesday, April 11, 2017 at 7:30 a.m.

#### 7. **MANAGER'S REPORT.**

City Manager Burns reported on the following:

- Attended a press conference in Coopersville in reference to Continental Dairy Facility. They are looking into developing regional management plans in the State of Michigan. They will focus on Transportation, Utility, water and sewer, Communication Broadband, Energy and GIS.
- Process of working with the City of Wayland for Mayor Exchange.
- Discussed a trip for Council and Downtown Development Authority to Fenton on Friday, June 20<sup>th</sup> for a tour of the downtown area.
- Insurance Agent Dustin Draebek misspoke in reference to liability, which City staff did not modify equipment. The modifications were done by the manufacturer.

#### 8. **COUNCIL COMMENTS.**

Councilmember Canfield advised it was good to see new businesses coming to town. Canfield also mentioned that the coffee shop will be opening again with new owners.

Councilmember Teelander commented on Coffee with Council and there were no visitors, just the Council. Teelander encouraged the public to come to Coffee with Council the first Saturday of each month. Teelander advised he attended the Fire Authority presentation and their passion for their work showed during the presentation.

Councilmember Phillips thanked all City departments and employees for a wonderful job they did during the winter season and he appreciates all their hard work and dedication.

Councilmember Hodges mentioned that the Rotary Auction is coming up on Friday, April 28, 2017 at 5:30 at the Grand Volute. Hodges explained all the proceeds go toward the Showboat. Hodges mentioned the Expo was successful and thanked Liz Baker for all her hard work. Hodges advised the next Girls Night Out will be held on Thursday, April 20<sup>th</sup>. Hodges also thanked Amanda Schraeben for the nice article she

wrote for Lowell's First Look about him.

Mayor DeVore also thanked Amanda and commented it was a fantastic article. DeVore mentioned that the City offices will be closed on April 14<sup>th</sup> for Good Friday.

9. ADJOURNMENT.

IT WAS MOVED BY HODGES and seconded by TEELANDER to adjourn at 7:36 p.m.

YES: 5. NO: NONE. ABSENT: NONE. MOTION CARRIED.

DATE:

APPROVED:

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Mike DeVore, Mayor

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Susan Ullery, City Clerk

**CITY OF LOWELL  
KENT COUNTY, MICHIGAN**

**RESOLUTION NO. 05-17**

**RESOLUTION APPROVING INSTALLMENT PURCHASE  
AGREEMENT TO FINANCE THE COST OF A NATURAL  
GAS COMPRESSOR, AUTHORIZING EXECUTION OF  
SAID INSTALLMENT PURCHASE AGREEMENT AND  
AUTHORIZING THE UNDERTAKING OF ALL OTHER  
NECESSARY AND REQUIRED ACTS IN CONNECTION  
WITH THE FINANCING THEREOF**

Councilmember Teelander, supported by Councilmember Hodges, moved the adoption of the following resolution:

**WHEREAS**, the Department of Light and Power ("LL&P") of the City of Lowell (the "City") has determined to acquire a natural gas compressor (the "Compressor") at a cost of \$603,000.00 and to finance the costs thereof through an installment purchase; and

**WHEREAS**, the LL&P has selected Natural Gas Compression Systems, Inc., Traverse City, Michigan, as the vendor (the "Vendor"), for the Compressor; and

**WHEREAS**, the cost of the Compressor is \$603,000.00, and the City has determined to finance the entire cost plus \$2,500 costs of financing, i.e. a total of \$605,500.00, through an installment purchase; and

**WHEREAS**, under the provisions of Act 99 of the Public Acts of Michigan of 1933, as amended ("Act 99"), the City is authorized to enter into an agreement for the acquisition of the Compressor to be used for public purposes, to be paid for in installments over a period not to exceed the lesser of (a) 15 years or (b) the useful life of the Compressor acquired as determined by resolution of the City Council; and

**WHEREAS**, the outstanding balance of all such installment purchases by the City under Act 99, exclusive of interest, shall not exceed one and one-quarter percent (1-1/4%) of the

equalized assessed value of real and personal property in the City on the date of such agreement or agreements; and

**WHEREAS**, the acquisition of the Compressor pursuant to an installment purchase agreement will not result in the outstanding balance of all such installment purchases to be in excess of the limitations contained in Act 99 as set forth above; and

**WHEREAS**, the City requested proposals for financing the cost of the Compressor and related financing costs through an installment purchase agreement pursuant to Act 99; and

**WHEREAS**, the City received proposals from Choice One Bank, The Huntington National Bank, Mercantile Bank of Michigan and United Bank and the proposal of Mercantile Bank of Michigan (the "Financial Institution"), has been determined to be the lowest responsive proposal; and

**WHEREAS**, the City Council has had presented to it at this meeting the form Installment Purchase Agreement (the "Agreement") attached hereto as Exhibit A to be entered into by the City, the Financial Institution and the Vendor in connection with such financing, and it is the desire of the City Council to approve and authorize the execution of such Agreement; and

**WHEREAS**, the City Council desires to authorize the undertaking of all such acts necessary to complete the financing of the cost of the Compressor and related financing costs, i.e. \$605,500.00.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. That the acquisition of the Compressor is hereby found and declared to be for valid public purposes and in the best interests of the health, safety and welfare of the residents of the City.

2. That the proposal of the Financial Institution is hereby approved and that the cost of the Compressor including related financing costs in the amount of \$605,500.00 shall be

financed through the Financial Institution through an installment purchase at an interest rate of 1.80% per annum by the level payment of monthly principal and interest commencing July 1, 2017, and ending June 1, 2022.

3. That the Agreement is hereby approved substantially in the form presented at this meeting with such additions, changes and modifications as shall be approved by the Mayor and City Clerk and shall be acknowledged by their execution of the Agreement.

4. That the Compressor has a useful life extending beyond June 1, 2022, the term of the Agreement.

5. That the City hereby agrees to include in its budget for each fiscal year during the term hereof an amount sufficient to pay when due the principal of and interest coming due under the Agreement during such fiscal year. In addition, the City hereby pledges to levy in each fiscal year *ad valorem* taxes on all taxable property in the City in an amount which, together with other funds available for such purpose, shall be sufficient for the payments required under the Agreement in such fiscal year. Any such tax levy is, however, subject to existing statutory, constitutional and charter tax limitations.

6. That the City designates the interest payments payable pursuant to the Agreement as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Internal Revenue Code of 1986, as amended (the "Code"), and does not reasonably anticipate that it and all its subordinate entities will issue qualified tax-exempt obligations in excess of \$10,000,000 during the 2017 calendar year.

7. That the City covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest component of the payments due under the Agreement from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code").



8. That the Mayor, City Clerk, City Treasurer, City Manager, or any of them, are hereby directed and authorized to execute the Agreement and such additional certificates and other documents in a form approved by the City Attorney as shall be necessary to effectuate the closing contemplated by the Agreement.

9. That all resolutions or parts of resolutions insofar as they conflict with the provisions hereof be and the same hereby are rescinded to the extent of such conflict.

YES: Councilmembers Hodges, Phillips, Teelander, Canfield and Mayor DeVore

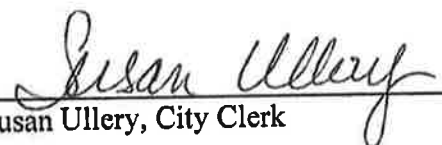
NO: Councilmembers None

ABSTAIN: Councilmembers None

ABSENT: Councilmembers None

**RESOLUTION DECLARED ADOPTED.**

Dated: April 3, 2017

  
Susan Ullery, City Clerk

**CERTIFICATION**

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council, at a regular meeting held on April 3, 2017, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: April 3, 2017

  
Susan Ullery, City Clerk

**CITY OF LOWELL  
KENT COUNTY, MICHIGAN**

**RESOLUTION NO. 06-17**

**RESOLUTION APPROVING AND AUTHORIZING  
EXECUTION OF AN INSTALLMENT PURCHASE  
AGREEMENT PAYMENT AGREEMENT WITH THE  
LOWELL BOARD OF LIGHT AND POWER**

Councilmember Canfield, supported by Councilmember Teelander, moved the adoption of the following resolution:

**WHEREAS**, the Lowell Board of Light and Power (the "Board") has determined to purchase for use by the City's electric utility a Caterpillar CG 137-12 LE engine/Ariel JGJ/4-3 stage natural gas compressor (the "Compressor") and has requested that the cost there of including related financing costs be financed through a five year installment purchase of the City pursuant to Act 99 of the Public Acts of Michigan of 1933, as amended, ("Act 99"); and

**WHEREAS**, pursuant to the Board's request and pursuant to Act 99, the City agreed to enter into an installment purchase agreement (the "IPA") with the vendor of the Compressor and Mercantile Bank of Michigan for the financing; and

**WHEREAS**, it has been agreed by the City and the Board, since the Compressor will be used entirely by the electric utility, that the Board shall be responsible for paying the IPA installment payments when due pursuant to an agreement between the City and the Board.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. That the Installment Purchase Agreement Payment Agreement (the "Agreement") between the City and the Board in the form presented at this meeting is approved.
2. That the Mayor and City Clerk are authorized and directed to execute the Agreement for and on behalf of the City.

3. That all resolutions or parts of resolutions in conflict herewith shall be and the same are hereby rescinded.

YES: Councilmembers Phillips, Teelander, Canfield, Mayor DeVore and  
Councilmember Hodges

NO: Councilmembers None.

ABSTAIN: Councilmembers None.

ABSENT: Councilmembers None.

**RESOLUTION DECLARED ADOPTED.**

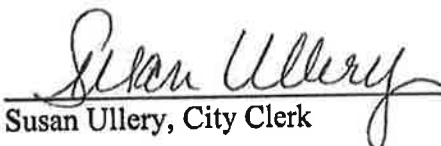
Dated: April 3, 2017

  
Susan Ullery, City Clerk

**CERTIFICATION**

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council, at a regular meeting held on April 3, 2017, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: April 3, 2017

  
Susan Ullery, City Clerk

**CITY OF LOWELL  
KENT COUNTY, MICHIGAN**

**RESOLUTION NO. 07-17**

**RESOLUTION APPROVING INSTALLMENT PURCHASE  
AGREEMENT TO FINANCE THE COST OF A WHEEL  
LOADER, AUTHORIZING EXECUTION OF SAID  
INSTALLMENT PURCHASE AGREEMENT AND  
AUTHORIZING THE UNDERTAKING OF ALL OTHER  
NECESSARY AND REQUIRED ACTS IN CONNECTION  
WITH THE FINANCING THEREOF**

Councilmember Hodges, supported by Councilmember Teelander, moved the adoption of the following resolution:

**WHEREAS**, the City of Lowell (the "City") has determined to acquire a 926M Wheel Loader (the "Wheel Loader") at a cost of \$177,070.00 and to finance the costs thereof through an installment purchase; and

**WHEREAS**, the City has selected Michigan CAT, Novi, Michigan, as the vendor (the "Vendor"), for the Wheel Loader; and

**WHEREAS**, the cost of the Wheel Loader and related financing costs in the total amount of \$179,000.00 the City has determined to finance through an installment purchase; and

**WHEREAS**, under the provisions of Act 99 of the Public Acts of Michigan of 1933, as amended ("Act 99"), the City is authorized to enter into an agreement for the acquisition of the Wheel Loader to be used for public purposes, to be paid for in installments over a period not to exceed the lesser of (a) 15 years or (b) the useful life of the Wheel Loader as determined by resolution of the City Council; and

**WHEREAS**, the outstanding balance of all such installment purchases by the City under Act 99, exclusive of interest, shall not exceed one and one-quarter percent (1-1/4%) of the equalized assessed value of real and personal property in the City on the date of such agreement or agreements; and

**WHEREAS**, the acquisition of the Wheel Loader pursuant to an installment purchase agreement will not result in the outstanding balance of all such installment purchases to be in excess of the limitations contained in Act 99 as set forth above; and

**WHEREAS**, the City requested proposals for financing the cost of the Wheel Loader and related financing costs through an installment purchase agreement pursuant to Act 99; and

**WHEREAS**, the City received proposals from Choice One Bank, The Huntington National Bank, Mercantile Bank of Michigan and United Bank and the proposal of Mercantile Bank of Michigan (the "Financial Institution"), has been determined to be the lowest responsive proposal; and

**WHEREAS**, the City Council has had presented to it at this meeting the form Installment Purchase Agreement (the "Agreement") attached hereto as Exhibit A to be entered into by the City, the Financial Institution and the Vendor in connection with such financing, and it is the desire of the City Council to approve and authorize the execution of such Agreement; and

**WHEREAS**, the City Council desires to authorize the undertaking of all such acts necessary to complete the financing of the cost of the Wheel Loader and related financing costs, i.e. \$179,000.00.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. That the acquisition of the Wheel Loader is hereby found and declared to be for valid public purposes and in the best interests of the health, safety and welfare of the residents of the City.

2. That the proposal of the Financial Institution is hereby approved and that the cost of the Wheel Loader including related financing costs in the amount of \$179,000.00 shall be financed through the Financial Institution through an installment purchase at an interest rate of

1.80% per annum by the level payment of monthly principal and interest commencing July 1, 2017, and ending June 1, 2022.

3. That the Agreement is hereby approved substantially in the form presented at this meeting with such additions, changes and modifications as shall be approved by the Mayor and City Clerk and shall be acknowledged by their execution of the Agreement.

4. That the Wheel Loader has a useful life extending beyond June 1, 2022, the term of the Agreement.

5. That the City hereby agrees to include in its budget for each fiscal year during the term hereof an amount sufficient to pay when due the principal of and interest coming due under the Agreement during such fiscal year. In addition, the City hereby pledges to levy in each fiscal year *ad valorem* taxes on all taxable property in the City in an amount which, together with other funds available for such purpose, shall be sufficient for the payments required under the Agreement in such fiscal year. Any such tax levy is, however, subject to existing statutory, constitutional and charter tax limitations.

6. That the City designates the interest payments payable pursuant to the Agreement as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Internal Revenue Code of 1986, as amended (the "Code"), and does not reasonably anticipate that it and all its subordinate entities will issue qualified tax-exempt obligations in excess of \$10,000,000 during the 2017 calendar year.

7. That the City covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest component of the payments due under the Agreement from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code").

8. That the Mayor, City Clerk, City Treasurer, City Manager, or any of them, are hereby directed and authorized to execute the Agreement and such additional certificates and other documents in a form approved by the City Attorney as shall be necessary to effectuate the closing contemplated by the Agreement.

9. That all resolutions or parts of resolutions insofar as they conflict with the provisions hereof be and the same hereby are rescinded to the extent of such conflict.

YES: Councilmembers Teelander, Canfield, Mayor DeVore and Councilmembers  
Hodges and Phillips.

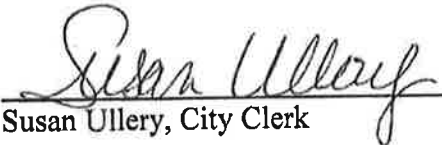
NO: Councilmembers None.

ABSTAIN: Councilmembers None.

ABSENT: Councilmembers None.

**RESOLUTION DECLARED ADOPTED.**

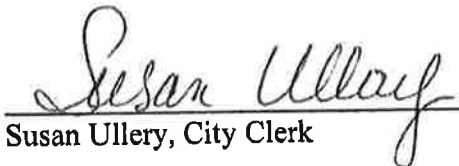
Dated: April 3, 2017

  
Susan Ullery, City Clerk

**CERTIFICATION**

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Lowell, at a regular meeting held on April 3, 2017, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: April 3, 2017

  
Susan Ullery, City Clerk

**CITY OF LOWELL  
KENT COUNTY, MICHIGAN**

**RESOLUTION NO. 09-17**

**RESOLUTION APPROVING AND AUTHORIZING  
EXECUTION OF AN INSTALLMENT PURCHASE  
AGREEMENTS PAYMENT AGREEMENT WITH THE  
CITY OF LOWELL DOWNTOWN DEVELOPMENT  
AUTHORITY RELATED TO THE FINANCING OF THE  
COST OF PURCHASING A WHEEL LOADER AND SKID-  
STEER LOADER**

Councilmember Hodges, supported by Councilmember Teelander, moved the adoption of the following resolution:

**WHEREAS**, the City has determined to purchase a 926M Wheel Loader (the "Wheel Loader") and a S550T4 Bobcat Skid-Steer Loader (the "Skid-Steer Loader") for use for public purposes; and

**WHEREAS**, the City has further determined to finance the cost of the Wheel Loader and Skid-Steer Loader through five-year installment purchases pursuant to Act 99 of the Public Acts of Michigan of 1933, as amended, and has entered into installment purchase agreements in connection therewith; and

**WHEREAS**, the City and the City of Lowell Downtown Development Authority (the "DDA") have determined that the Wheel Loader and Skid-Steer Loader will be utilized 40% of the time within the Development Area of the DDA and that the DDA should proportionately share in the cost of financing their acquisition.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. That the Installment Purchase Agreements Payment Agreement (the "Agreement") between the City and the DDA in the form presented at this meeting is approved.



2. That the Mayor and City Clerk are authorized and directed to execute the Agreement for and on behalf of the City.

3. That all resolutions or parts of resolutions insofar as they conflict with the provisions hereof be and the same hereby are rescinded to the extent of such conflict.

YES: Councilmembers Mayor DeVore and Councilmembers Hodges, Phillips,  
Teelander and Canfield.

NO: Councilmembers \_\_\_\_\_

ABSTAIN: Councilmembers \_\_\_\_\_

ABSENT: Councilmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

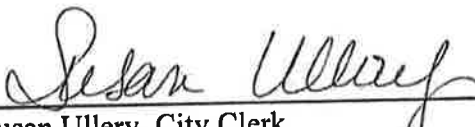
Dated: April 3, 2017

  
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Dated: April 3, 2017

  
Susan Ullery, City Clerk

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DB: Lowell

INVOICE APPROVAL BY INVOICE REPORT FOR CITY OF LOWELL  
EXP CHECK RUN DATES 04/07/2017 - 04/13/2017  
BOTH JOURNALIZED AND UNJOURNALIZED  
BOTH OPEN AND PAID

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Vendor Code	Vendor Name	Description	Amount
	Invoice		
RECYCLE	ADAMS, BOBBIE		
	BIN 722	RECYCLE BIN REFUND	5.00
TOTAL FOR: ADAMS, BOBBIE			5.00
01513	ADDORIO TECHNOLOGIES, LLC		
	6870	COMPUTER SERVICES -LPD	240.00
TOTAL FOR: ADDORIO TECHNOLOGIES, LLC			240.00
REFUND UB	AMICUS MANAGEMENT		
	04/13/2017	UB refund for account: 6-00242-4	386.90
TOTAL FOR: AMICUS MANAGEMENT			386.90
RECYCLE	BARRETT, SHARON		
	BIN 2096	RECYCLE BIN REFUND	25.00
TOTAL FOR: BARRETT, SHARON			25.00
RECYCLE	BAUER, JENNIFER		
	BIN 00020	RECYCLE BIN REFUND	25.00
TOTAL FOR: BAUER, JENNIFER			25.00
00050	BERNARDS ACE HARDWARE		
	MARCH 2017	STATEMENT OF ACCOUNT	1,078.25
TOTAL FOR: BERNARDS ACE HARDWARE			1,078.25
RECYCLE	BRIGGS, HOWARD		
	BIN 820	RECYCLE BIN REFUND	5.00
TOTAL FOR: BRIGGS, HOWARD			5.00
RECYCLE	BROWN, SUSAN		
	BIN 2102	RECYCLE BIN REFUND	10.00
TOTAL FOR: BROWN, SUSAN			10.00
RECYCLE	BUSSINGER, ROBERT		
	BIN 833	RECYCLE BIN REFUND	5.00
TOTAL FOR: BUSSINGER, ROBERT			5.00
00084	CANFIELD PLUMBING & HEATING IN		
	58816	FAUCETS - PARKS	580.00
TOTAL FOR: CANFIELD PLUMBING & HEATING IN			580.00
10509	CONSUMERS ENERGY		
	MARCH 2017	ENERGY STATEMENT	21.26
TOTAL FOR: CONSUMERS ENERGY			21.26
01156	CURTIS CLEANERS		
	MARCH 2017	LPD UNIFORM CLEANING	302.20
TOTAL FOR: CURTIS CLEANERS			302.20
00148	DICKINSON WRIGHT PLLC		
	1154387	PROFESSIONAL SERVICES	55.50
	1154388	PROFESSIONAL SERVICES	129.50
	1154389	PROFESSIONAL SERVICES	277.50
TOTAL FOR: DICKINSON WRIGHT PLLC			462.50

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Vendor Code	Vendor Name	Invoice	Description	Amount
02035	DIGITAL OFFICE MACHINES, INC.	17400	POLICE DEPT COPIER CONTRACT	63.39
TOTAL FOR: DIGITAL OFFICE MACHINES, INC.				63.39
01721	DREW WIRELESS	LPD040317	LPD - MOBILE PRINTER/POWER SUPPLY	850.00
TOTAL FOR: DREW WIRELESS				850.00
10670	FAHEY SCHULTZ BURZYCH RHODES PLC	36377	PROFESSIONAL SERVICES	1,232.10
		36378	PROFESSIONAL SERVICES	160.00
		36629	PROFESSIONAL SERVICES	364.00
TOTAL FOR: FAHEY SCHULTZ BURZYCH RHODES PLC				1,756.10
10673	FERGUSON WATERWORKS	0015143	METER SHOULDER STRAP	62.92
TOTAL FOR: FERGUSON WATERWORKS				62.92
RECYCLE	GOODELL, MORGAN	BIN 2026	RECYCLE BIN REFUND	25.00
TOTAL FOR: GOODELL, MORGAN				25.00
02176	GRAND AUTO FAMILY INC	58792/58756/CREDI EQUIP R & M AND CREDIT		142.54
TOTAL FOR: GRAND AUTO FAMILY INC				142.54
00232	GRAND VALLEY METRO COUNCIL	2296	REGIS DUES 2016-2017 3 &4 QTRS	3,901.50
TOTAL FOR: GRAND VALLEY METRO COUNCIL				3,901.50
02463	HYDROCORP	0042320-IN	CROSS CONNECTION MARCH 2017	815.00
TOTAL FOR: HYDROCORP				815.00
00280	KAMMINGA & ROODVOETS, INC.	PAYMENT 1	VALLEY VISTA LIFT STATION	25,224.74
		PAYMENT 4	MAIN LIFT STATION	281,175.21
TOTAL FOR: KAMMINGA & ROODVOETS, INC.				306,399.95
00005	KENDALL ELECTRIC INCORPORATED	S105690798.001	WTP R & M	238.95
TOTAL FOR: KENDALL ELECTRIC INCORPORATED				238.95
00301	KENT COUNTY HEALTH DEPT	LOWEC 2016 QTR4	DOG LICENSES	281.00
TOTAL FOR: KENT COUNTY HEALTH DEPT				281.00
00298	KENT COUNTY TREASURER	17032400417	POLICE DISPATCH SERVICES	16,857.01
TOTAL FOR: KENT COUNTY TREASURER				16,857.01
02209	KERKSTRA PORTABLE, INC.	104459	PORTABLE RESTROOM - CREEKSIDE PARK	115.00
		104460	PORTABLE RESTROOM - BURCH FIELD	115.00
TOTAL FOR: KERKSTRA PORTABLE, INC.				230.00

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Vendor Code	Vendor Name	Description	Amount
	Invoice		
10674	LOADOMETER CORP		
	56	WHEEL LOAD WEIGHER - LPD	9,790.00
TOTAL FOR: LOADOMETER CORP			9,790.00
01006	LOWELL AREA ARTS COUNCIL		
	ESCROW	ESCROW REFUND	200.00
TOTAL FOR: LOWELL AREA ARTS COUNCIL			200.00
00330	LOWELL LEDGER		
	MARCH 2017	ACCOUNT STATEMENT	597.50
TOTAL FOR: LOWELL LEDGER			597.50
00341	LOWELL LIGHT & POWER		
	MARCH 2017	ELECTRIC STATEMENTS	19,022.85
TOTAL FOR: LOWELL LIGHT & POWER			19,022.85
10521	MACATAWA BANK		
	MAY 1, 2017	LOWELL IPA SERIES 2015	11,389.84
TOTAL FOR: MACATAWA BANK			11,389.84
01078	MAMC		
	FOR 2017	MEMBERSHIP FOR MUNICIPAL CEMETERIES-WISNIEWSKI	35.00
TOTAL FOR: MAMC			35.00
10665	MISS P'S CATERING		
	4/13/17	APRIL 3 MEETING DINNER	272.00
TOTAL FOR: MISS P'S CATERING			272.00
00426	MODEL COVERALL SERVICE, INC.		
	MARCH 2017	ACCOUNT STATEMENT	319.90
TOTAL FOR: MODEL COVERALL SERVICE, INC.			319.90
01499	NAPA AUTO PARTS		
	MARCH 2017	ACCOUNT STATEMENT	949.83
TOTAL FOR: NAPA AUTO PARTS			949.83
00945	NATIONAL LADDER		
	5135572	WTP LADDERS	425.14
TOTAL FOR: NATIONAL LADDER			425.14
REFUND UB	NIENHOUSE, AMY		
	04/13/2017	UB refund for account: 3-04030-18	178.87
TOTAL FOR: NIENHOUSE, AMY			178.87
RECYCLE	OLSEN, KAREN		
	BIN 2111	RECYCLE BIN REFUND	10.00
TOTAL FOR: OLSEN, KAREN			10.00
RECYCLE	PASQUALE, DAVID		
	BIN 465	RECYCLE BIN REFUND	5.00
TOTAL FOR: PASQUALE, DAVID			5.00
01270	PLUMMERS ENVIRONMENTAL SERVICE		
	1747474	CLEAN SANITARY SEWER LINES - 217 S HUDSON	656.00
TOTAL FOR: PLUMMERS ENVIRONMENTAL SERVICE			656.00

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Vendor Code	Vendor Name	Description	Amount
	Invoice		
02331	PROGRESSIVE HEATING COOLING, CORP.		
	2013705	LIBRARY R & M	2,386.81
TOTAL FOR: PROGRESSIVE HEATING COOLING, CORP.			2,386.81
10133	RED CREEK		
	73R00336	TRASH SERVICES	254.81
TOTAL FOR: RED CREEK			254.81
10378	RUESINK, KATHIE		
	543216	CLEANING SERVICES	540.00
TOTAL FOR: RUESINK, KATHIE			540.00
02575	SELF SERVE LUMBER		
	MARCH 2017	ACCOUNT STATEMENT	336.48
TOTAL FOR: SELF SERVE LUMBER			336.48
RECYCLE	SELLNER, MARK		
	BIN 660	RECYCLE BIN REFUND	5.00
TOTAL FOR: SELLNER, MARK			5.00
10341	STATE OF MICHIGAN		
	551-485369	LIVE SCAN MARCH 2017	336.00
TOTAL FOR: STATE OF MICHIGAN			336.00
10514	SUPPLYGEEKS		
	518491-0	OFFICE SUPPLIES	154.96
TOTAL FOR: SUPPLYGEEKS			154.96
10489	THE BANK OF NEW YORK MELLON TRUST		
	6/1/2017	BUILDING AUTHORITY BOND SERIES 2012	232,222.51
TOTAL FOR: THE BANK OF NEW YORK MELLON TRUST			232,222.51
10457	THE BANK OF NY MELLONG CORP. TRUST		
	252-2014988	BUILDING AUTHORITY 2012 REFUNDING BOND	200.00
	252-2014989	TRANSPORTATION FUND BOND SERIES 2002	750.00
TOTAL FOR: THE BANK OF NY MELLONG CORP. TRUST			950.00
01003	TNEMEC COMPANY, INC.		
	2256739	WTP R & M	311.35
TOTAL FOR: TNEMEC COMPANY, INC.			311.35
10563	TRACTOR SUPPLY CREDIT PLAN		
	MARCH 2017	ACCOUNT STATEMENT	302.16
TOTAL FOR: TRACTOR SUPPLY CREDIT PLAN			302.16
10626	VISA		
	MARCH 2017	ACCOUNT STATEMENT	2,095.08
TOTAL FOR: VISA			2,095.08
00692	WILLIAMS & WORKS INC.		
	81579	PROFESSIONAL SERVICES	96.00
TOTAL FOR: WILLIAMS & WORKS INC.			96.00

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Vendor Code	Vendor Name	Description	Amount
	Invoice		
02205	WINZER CORPORATION		
	5802720	EQUIP FUND SUPPLIES	522.14
TOTAL FOR: WINZER CORPORATION			522.14
REFUND UB	WISNER, KAY		
	04/13/2017	UB refund for account: 2-03010-2	3.25
TOTAL FOR: WISNER, KAY			3.25
REFUND UB	WITTENBACH		
	04/13/2017	UB refund for account: 2-00300-1	14.12
TOTAL FOR: WITTENBACH			14.12
10567	WOLF KUBOTA		
	01-48905	EXM OIL & FILTERS	335.95
TOTAL FOR: WOLF KUBOTA			335.95
TOTAL - ALL VENDORS			619,488.02

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INVOICE GL DISTRIBUTION REPORT FOR CITY OF LOWELL  
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GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 101 GENERAL FUND					
Dept 000					
101-000-222.002	DUE TO COUNTY-DOG LICENSE	KENT COUNTY HEALTH DEPT	DOG LICENSES	281.00	69429
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	ADAMS, BOBBIE	RECYCLE BIN REFUND	5.00	69405
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	BARRETT, SHARON	RECYCLE BIN REFUND	25.00	69408
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	BAUER, JENNIFER	RECYCLE BIN REFUND	25.00	69409
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	BRIGGS, HOWARD	RECYCLE BIN REFUND	5.00	69412
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	BROWN, SUSAN	RECYCLE BIN REFUND	10.00	69413
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	BUSSINGER, ROBERT	RECYCLE BIN REFUND	5.00	69414
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	GOODELL, MORGAN	RECYCLE BIN REFUND	25.00	69423
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	OLSEN, KAREN	RECYCLE BIN REFUND	10.00	69443
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	PASQUALE, DAVID	RECYCLE BIN REFUND	5.00	69444
101-000-285.001	DEPOSITS/RECYCLE CONTAINER	SELLNER, MARK	RECYCLE BIN REFUND	5.00	69450
Total For Dept 000				401.00	
Dept 101 COUNCIL					
101-101-880.000	COMMUNITY PROMOTION	MISS P'S CATERING	APRIL 3 MEETING DINNER	272.00	69438
Total For Dept 101 COUNCIL				272.00	
Dept 191 ELECTIONS					
101-191-900.000	PRINTING	LOWELL LEDGER	ACCOUNT STATEMENT	57.75	69434
Total For Dept 191 ELECTIONS				57.75	
Dept 209 ASSESSOR					
101-209-900.000	PRINTING	LOWELL LEDGER	ACCOUNT STATEMENT	228.00	69434
Total For Dept 209 ASSESSOR				228.00	
Dept 210 ATTORNEY					
101-210-801.000	PROFESSIONAL SERVICES	DICKINSON WRIGHT PLLC	PROFESSIONAL SERVICES	277.50	69418
101-210-801.000	PROFESSIONAL SERVICES	DICKINSON WRIGHT PLLC	PROFESSIONAL SERVICES	129.50	69418
101-210-801.000	PROFESSIONAL SERVICES	FAHEY SCHULTZ BURZYCH RHO	PROFESSIONAL SERVICES	364.00	69421
101-210-802.000	LABOR RELATIONS ATTORNEY	FAHEY SCHULTZ BURZYCH RHO	PROFESSIONAL SERVICES	1,232.10	69421
101-210-802.000	LABOR RELATIONS ATTORNEY	FAHEY SCHULTZ BURZYCH RHO	PROFESSIONAL SERVICES	160.00	69421
Total For Dept 210 ATTORNEY				2,163.10	
Dept 215 CLERK					
101-215-864.000	CONFERENCES & CONVENTIONS	VISA	ACCOUNT STATEMENT	382.50	69457
101-215-900.000	PRINTING	LOWELL LEDGER	ACCOUNT STATEMENT	264.50	69434
Total For Dept 215 CLERK				647.00	
Dept 265 CITY HALL					
101-265-727.000	OFFICE SUPPLIES	SUPPLYGEEKS	OFFICE SUPPLIES	18.90	69452
101-265-740.000	OPERATING SUPPLIES	BERNARDS ACE HARDWARE	STATEMENT OF ACCOUNT	12.57	69410
101-265-740.000	OPERATING SUPPLIES	SUPPLYGEEKS	OFFICE SUPPLIES	40.79	69452
101-265-802.000	CONTRACTUAL	RED CREEK	TRASH SERVICES	90.45	69447
101-265-802.000	CONTRACTUAL	RUESINK, KATHIE	CLEANING SERVICES	360.00	69448
101-265-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	2,488.07	69435
101-265-930.000	REPAIR & MAINTENANCE	BERNARDS ACE HARDWARE	STATEMENT OF ACCOUNT	6.99	69410
101-265-930.000	REPAIR & MAINTENANCE	TRACTOR SUPPLY CREDIT PLA	ACCOUNT STATEMENT	36.24	69456
Total For Dept 265 CITY HALL				3,054.01	
Dept 276 CEMETERY					
101-276-740.000	OPERATING SUPPLIES	SUPPLYGEEKS	OFFICE SUPPLIES	4.49	69452
101-276-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	164.41	69435
101-276-930.000	REPAIR & MAINTENANCE	NAPA AUTO PARTS	ACCOUNT STATEMENT	44.43	69440
101-276-955.000	MISCELLANEOUS EXPENSE	MAMC	MEMBERSHIP FOR MUNICIPAL	35.00	69437
Total For Dept 276 CEMETERY				248.33	
Dept 301 POLICE DEPARTMENT					
101-301-626.000	REPORTS & FINGERPRINT FEE	STATE OF MICHIGAN	LIVE SCAN MARCH 2017	336.00	69451
101-301-744.000	UNIFORMS	CURTIS CLEANERS	LPD UNIFORM CLEANING	302.20	69417
101-301-744.000	UNIFORMS	VISA	ACCOUNT STATEMENT	95.39	69457
101-301-803.000	DISPATCHING SERVICES	KENT COUNTY TREASURER	POLICE DISPATCH SERVICES	16,857.01	69430
101-301-930.000	R & M EQUIPMENT	DREW WIRELESS	LPD - MOBILE PRINTER/POWER	850.00	69420

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GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 101 GENERAL FUND					
Dept 301 POLICE DEPARTMENT					
101-301-931.000	R & M POLICE CARS	NAPA AUTO PARTS	ACCOUNT STATEMENT	26.98	69440
101-301-957.000	TRAINING	VISA	ACCOUNT STATEMENT	75.30	69457
101-301-960.000	SALVAGE EXPENSE	LOADOMETER CORP	WHEEL LOAD WEIGHER - LPD	9,790.00	69432
	Total For Dept 301 POLICE			28,332.88	
Dept 400 PLANNING & ZONING					
101-400-611.000	SITE PLAN REVIEW RETAINER	LOWELL AREA ARTS COUNCIL	ESCROW REFUND	200.00	69433
	Total For Dept 400 PLANNI			200.00	
Dept 441 DEPARTMENT OF PUBLIC WORKS					
101-441-802.000	CONTRACTUAL	RED CREEK	TRASH SERVICES	117.86	69447
101-441-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	251.52	69435
101-441-926.000	STREET LIGHTING	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	846.88	69435
	Total For Dept 441 DEPART			1,216.26	
Dept 442 SIDEWALK					
101-442-740.000	OPERATING SUPPLIES	BERNARDS ACE HARDWARE	STATEMENT OF ACCOUNT	23.97	69410
101-442-740.000	OPERATING SUPPLIES	SELF SERVE LUMBER	ACCOUNT STATEMENT	25.85	69449
	Total For Dept 442 SIDEWA			49.82	
Dept 747 CHAMBER/RIVERWALK					
101-747-920.000	CHAMBER UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	177.12	69435
	Total For Dept 747 CHAMBE			177.12	
Dept 751 PARKS					
101-751-740.000	OPERATING SUPPLIES	BERNARDS ACE HARDWARE	STATEMENT OF ACCOUNT	155.47	69410
101-751-740.000	OPERATING SUPPLIES	VISA	ACCOUNT STATEMENT	87.55	69457
101-751-802.000	CONTRACTUAL	KERKSTRA PORTABLE, INC.	PORTABLE RESTROOM - BURCH	115.00	69431
101-751-802.000	CONTRACTUAL	KERKSTRA PORTABLE, INC.	PORTABLE RESTROOM - CREEK	115.00	69431
101-751-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	431.13	69435
101-751-930.000	REPAIR & MAINTENANCE	BERNARDS ACE HARDWARE	STATEMENT OF ACCOUNT	390.31	69410
101-751-930.000	REPAIR & MAINTENANCE	CANFIELD PLUMBING & HEATI	FAUCETS - PARKS	580.00	69415
101-751-930.000	REPAIR & MAINTENANCE	SELF SERVE LUMBER	ACCOUNT STATEMENT	246.14	69449
101-751-930.000	REPAIR & MAINTENANCE	TRACTOR SUPPLY CREDIT PLA	ACCOUNT STATEMENT	85.95	69456
	Total For Dept 751 PARKS			2,206.55	
Dept 757 SHOWBOAT					
101-757-920.000	SHOWBOAT UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	41.03	69435
	Total For Dept 757 SHOWBO			41.03	
Dept 790 LIBRARY					
101-790-740.000	OPERATING SUPPLIES	SUPPLYGEEKS	OFFICE SUPPLIES	90.78	69452
101-790-802.000	CONTRACTUAL	RED CREEK	TRASH SERVICES	46.50	69447
101-790-802.000	CONTRACTUAL	RUESINK, KATHIE	CLEANING SERVICES	180.00	69448
101-790-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	1,381.90	69435
101-790-930.000	REPAIR & MAINTENANCE	MODEL COVERALL SERVICE, I	ACCOUNT STATEMENT	319.90	69439
101-790-930.000	REPAIR & MAINTENANCE	PROGRESSIVE HEATING COOLI	LIBRARY R & M	2,386.81	69446
	Total For Dept 790 LIBRAR			4,405.89	
Dept 804 MUSEUM					
101-804-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	225.74	69435
	Total For Dept 804 MUSEUM			225.74	
	Total For Fund 101 GENERA			43,926.48	
Fund 202 MAJOR STREET FUND					
Dept 450 CAPITAL OUTLAY					
202-450-801.000	PROFESSIONAL SERVICES	WILLIAMS & WORKS INC.	PROFESSIONAL SERVICES	96.00	69458
	Total For Dept 450 CAPITA			96.00	
Dept 474 TRAFFIC					
202-474-740.000	OPERATING SUPPLIES	SELF SERVE LUMBER	ACCOUNT STATEMENT	32.25	69449
	Total For Dept 474 TRAFFI			32.25	



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GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 202 MAJOR STREET FUND					
		Total For Fund 202 MAJOR		128.25	
Fund 203 LOCAL STREET FUND					
Dept 474 TRAFFIC					
203-474-740.000	OPERATING SUPPLIES	SELF SERVE LUMBER	ACCOUNT STATEMENT	32.24	69449
		Total For Dept 474 TRAFFI		32.24	
Dept 478 WINTER MAINTENANCE					
203-478-740.000	OPERATING SUPPLIES	BERNARDS ACE HARDWARE	STATEMENT OF ACCOUNT	21.56	69410
		Total For Dept 478 WINTER		21.56	
Dept 906 DEBT SERVICE					
203-906-996.000	PAYING AGENT FEES	THE BANK OF NY MELLONG CO	TRANSPORTATION FUND BOND	750.00	69454
		Total For Dept 906 DEBT S		750.00	
		Total For Fund 203 LOCAL		803.80	
Fund 248 DOWNTOWN DEVELOPMENT AUTHORITY					
Dept 463 MAINTENANCE					
248-463-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	1,248.22	69435
		Total For Dept 463 MAINT		1,248.22	
		Total For Fund 248 DOWNT		1,248.22	
Fund 260 DESIGNATED CONTRIBUTIONS					
Dept 758 DOG PARK					
260-758-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	43.30	69435
		Total For Dept 758 DOG PA		43.30	
		Total For Fund 260 DESIGN		43.30	
Fund 351 GENERAL DEBT SERVICE ( NON-VOTED BONDS)					
Dept 906 DEBT SERVICE					
351-906-991.000	PRINCIPAL	THE BANK OF NEW YORK MELL	BUILDING AUTHORITY BOND S	170,000.00	69453
351-906-995.000	INTEREST	THE BANK OF NEW YORK MELL	BUILDING AUTHORITY BOND S	62,222.51	69453
351-906-996.000	PAYING AGENT FEES	THE BANK OF NY MELLONG CO	BUILDING AUTHORITY 2012 R	200.00	69454
		Total For Dept 906 DEBT S		232,422.51	
		Total For Fund 351 GENERA		232,422.51	
Fund 581 AIRPORT FUND					
Dept 000					
581-000-740.000	OPERATING SUPPLIES	BERNARDS ACE HARDWARE	STATEMENT OF ACCOUNT	129.99	69410
581-000-801.000	PROFESSIONAL SERVICES	DICKINSON WRIGHT PLLC	PROFESSIONAL SERVICES	55.50	69418
581-000-920.000	PUBLIC UTILITIES	CONSUMERS ENERGY	ENERGY STATEMENT	21.26	69416
581-000-930.000	REPAIR & MAINTENANCE	TRACTOR SUPPLY CREDIT PLA	ACCOUNT STATEMENT	179.97	69456
		Total For Dept 000		386.72	
		Total For Fund 581 AIRPOR		386.72	
Fund 590 WASTEWATER FUND					
Dept 000					
590-000-043.000	DUE FROM EARTH TECH	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	5,636.52	69435
590-000-276.000	Sewer Inside 5/8"	WISNER, KAY	UB refund for account: 2-	1.61	69460
590-000-276.000	Sewer Inside 1"	WITTENBACH	UB refund for account: 2-	8.73	69461
		Total For Dept 000		5,646.86	
Dept 550 TREATMENT					
590-550-970.000	CAPITAL OUTLAY	KAMMINGA & ROODVOETS, INC	MAIN LIFT STATION	281,175.21	69427
590-550-970.000	CAPITAL OUTLAY	KAMMINGA & ROODVOETS, INC	VALLEY VISTA LIFT STATION	25,224.74	69427
		Total For Dept 550 TREATM		306,399.95	
Dept 551 COLLECTION					
590-551-864.000	CONFERENCES & CONVENTIONS	VISA	ACCOUNT STATEMENT	608.00	69457
590-551-930.000	REPAIR & MAINTENANCE	FERGUSON WATERWORKS	METER SHOULDER STRAP	31.46	69422
590-551-930.000	REPAIR & MAINTENANCE	PLUMMERS ENVIRONMENTAL SE	CLEAN SANITARY SEWER LINE	656.00	69445
		Total For Dept 551 COLLEC		1,295.46	
		Total For Fund 590 WASTE		313,342.27	

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GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 591 WATER FUND					
Dept 000					
591-000-276.000	Water	AMICUS MANAGEMENT	UB refund for account: 6-	386.90	69407
591-000-276.000	Water	NIENHOUSE, AMY	UB refund for account: 3-	178.87	69442
591-000-276.000	Water Inside 5/8"	WISNER, KAY	UB refund for account: 2-	1.64	69460
591-000-276.000	Water Inside 1"	WITTENBACH	UB refund for account: 2-	5.39	69461
Total For Dept 000				572.80	
Dept 570 TREATMENT					
591-570-740.000	OPERATING SUPPLIES	BERNARDS ACE HARDWARE	STATEMENT OF ACCOUNT	293.44	69410
591-570-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	4,967.30	69435
591-570-930.000	REPAIR & MAINTENANCE	KENDALL ELECTRIC INCORPOR	WTP R & M	238.95	69428
591-570-930.000	REPAIR & MAINTENANCE	NATIONAL LADDER	WTP LADDERS	425.14	69441
591-570-930.000	REPAIR & MAINTENANCE	TNEMEC COMPANY, INC.	WTP R & M	311.35	69455
591-570-930.000	REPAIR & MAINTENANCE	VISA	ACCOUNT STATEMENT	115.16	69457
Total For Dept 570 TREATM				6,351.34	
Dept 571 DISTRIBUTION					
591-571-740.000	OPERATING SUPPLIES	BERNARDS ACE HARDWARE	STATEMENT OF ACCOUNT	43.95	69410
591-571-801.000	CROSS CONNECTIONS	HYDROCORP	CROSS CONNECTION MARCH 20	815.00	69426
591-571-864.000	CONFERENCES & CONVENTIONS	VISA	ACCOUNT STATEMENT	608.00	69457
591-571-920.000	PUBLIC UTILITIES	LOWELL LIGHT & POWER	ELECTRIC STATEMENTS	1,119.71	69435
591-571-930.000	REPAIR & MAINTENANCE	FERGUSON WATERWORKS	METER SHOULDER STRAP	31.46	69422
Total For Dept 571 DISTRI				2,618.12	
Dept 573 ADMINISTRATION					
591-573-955.000	MISCELLANEOUS EXPENSE	LOWELL LEDGER	ACCOUNT STATEMENT	47.25	69434
Total For Dept 573 ADMINI				47.25	
Total For Fund 591 WATER				9,589.51	
Fund 636 DATA PROCESSING FUND					
Dept 000					
636-000-801.000	PROFESSIONAL SERVICES	ADDORIO TECHNOLOGIES, LLC	COMPUTER SERVICES -LPD	240.00	69406
636-000-802.000	CONTRACTUAL	DIGITAL OFFICE MACHINES,	POLICE DEPT COPIER CONTRA	63.39	69419
636-000-802.000	CONTRACTUAL	GRAND VALLEY METRO COUNCI	REGIS DUES 2016-2017 3 &4	3,901.50	69425
Total For Dept 000				4,204.89	
Total For Fund 636 DATA P				4,204.89	
Fund 661 EQUIPMENT FUND					
Dept 895 FLEET MAINT. & REPLACEMENT					
661-895-740.000	OPERATING SUPPLIES	NAPA AUTO PARTS	ACCOUNT STATEMENT	22.22	69440
661-895-740.000	OPERATING SUPPLIES	VISA	ACCOUNT STATEMENT	69.58	69457
661-895-740.000	OPERATING SUPPLIES	WINZER CORPORATION	EQUIP FUND SUPPLIES	522.14	69459
661-895-930.000	REPAIR & MAINTENANCE	GRAND AUTO FAMILY INC	EQUIP R & M AND CREDIT	142.54	69424
661-895-930.000	REPAIR & MAINTENANCE	NAPA AUTO PARTS	ACCOUNT STATEMENT	856.20	69440
661-895-930.000	REPAIR & MAINTENANCE	VISA	ACCOUNT STATEMENT	53.60	69457
661-895-930.000	REPAIR & MAINTENANCE	WOLF KUBOTA	EXM OIL & FILTERS	335.95	69462
661-895-991.000	PRINCIPAL	MACATAWA BANK	LOWELL IPA SERIES 2015	9,460.00	69436
661-895-995.000	INTEREST PAYABLE	MACATAWA BANK	LOWELL IPA SERIES 2015	1,929.84	69436
Total For Dept 895 FLEET				13,392.07	
Total For Fund 661 EQUIPM				13,392.07	

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GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
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Fund Totals:

Fund 101	GENERAL FUND	43,926.48
Fund 202	MAJOR STREET FUN	128.25
Fund 203	LOCAL STREET FUN	803.80
Fund 248	DOWNTOWN DEVELOP	1,248.22
Fund 260	DESIGNATED CONTR	43.30
Fund 351	GENERAL DEBT SER	232,422.51
Fund 581	AIRPORT FUND	386.72
Fund 590	WASTEWATER FUND	313,342.27
Fund 591	WATER FUND	9,589.51
Fund 636	DATA PROCESSING	4,204.89
Fund 661	EQUIPMENT FUND	13,392.07

619,488.02



# **LOWELL CITY COUNCIL**

## **MEMORANDUM**

**DATE:** April 13, 2017

**TO:** Mayor DeVore and the City Council

**FROM:** Michael T. Burns, City Manager *MTB*

**RE:** Resolution 08-17 and Resolution 10-17

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At our last City Council meeting, the City Council approved Resolution 08-17 and 09-17. Resolution 08-17 was referring to the installment purchase of the Bobcat Skidsteer and Resolution 09-17 was the agreement to between the City and Downtown Development Authority regarding the terms of payment for both the Bobcat Skidsteer and a Front End Loader.

Both of those resolutions need to be revised as the original Resolution 08-17 listed the wrong company that our finance proceeds were paying for the Skidsteer. The proper entity for payment is Clark Equipment, the prior resolution had Carlson Equipment listed as the company we were purchasing from.

Resolution 09-17 listed that the DDA would finance 40% for both items of equipment. The proper financing was that the DDA would finance 25% of the Front End Loader and 40% of the Bobcat Skidsteer. Resolution 10-17 corrects that item.

**I am recommending that the City Council approve Resolution 09-17 and Resolution 10-17 as presented.**

**CITY OF LOWELL  
KENT COUNTY, MICHIGAN**

**RESOLUTION NO. 08-17**

**RESOLUTION APPROVING INSTALLMENT PURCHASE  
AGREEMENT TO FINANCE THE COST OF A SKID-  
STEER LOADER, AUTHORIZING EXECUTION OF SAID  
INSTALLMENT PURCHASE AGREEMENT AND  
AUTHORIZING THE UNDERTAKING OF ALL OTHER  
NECESSARY AND REQUIRED ACTS IN CONNECTION  
WITH THE FINANCING THEREOF**

Councilmember \_\_\_\_\_, supported by Councilmember \_\_\_\_\_,  
moved the adoption of the following resolution:

**WHEREAS**, the City of Lowell (the “City”) has determined to acquire a S550 T4 Bobcat Skid-Steer Loader (the “Skid-Steer Loader”) at a cost of \$42,665.80 and to finance the costs thereof through an installment purchase; and

**WHEREAS**, the City has selected Clark Equipment Company d/b/a Bobcat Company as the vendor (the “Vendor”), for the Skid-Steer Loader; and

**WHEREAS**, the cost of the Skid-Steer Loader and related financing costs in the total amount of \$44,000.00 the City has determined to finance through an installment purchase; and

**WHEREAS**, under the provisions of Act 99 of the Public Acts of Michigan of 1933, as amended (“Act 99”), the City is authorized to enter into an agreement for the acquisition of the Skid-Steer Loader to be used for public purposes, to be paid for in installments over a period not to exceed the lesser of (a) 15 years or (b) the useful life of the Skid-Steer Loader as determined by resolution of the City Council; and

**WHEREAS**, the outstanding balance of all such installment purchases by the City under Act 99, exclusive of interest, shall not exceed one and one-quarter percent (1-1/4%) of the equalized assessed value of real and personal property in the City on the date of such agreement or agreements; and

**WHEREAS**, the acquisition of the Skid-Steer Loader pursuant to an installment purchase agreement will not result in the outstanding balance of all such installment purchases to be in excess of the limitations contained in Act 99 as set forth above; and

**WHEREAS**, the City requested proposals for financing the cost of the Skid-Steer Loader and related financing costs through an installment purchase agreement pursuant to Act 99; and

**WHEREAS**, the City received proposals from Choice One Bank, The Huntington National Bank, Mercantile Bank of Michigan and United Bank and the proposal of Mercantile Bank of Michigan (the "Financial Institution"), has been determined to be the lowest responsive proposal; and

**WHEREAS**, the City Council has had presented to it at this meeting the form Installment Purchase Agreement (the "Agreement") attached hereto as Exhibit A to be entered into by the City, the Financial Institution and the Vendor in connection with such financing, and it is the desire of the City Council to approve and authorize the execution of such Agreement; and

**WHEREAS**, the City Council desires to authorize the undertaking of all such acts necessary to complete the financing of the cost of the Skid-Steer Loader and related financing costs, i.e. \$44,000.00.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. That the acquisition of the Skid-Steer Loader is hereby found and declared to be for valid public purposes and in the best interests of the health, safety and welfare of the residents of the City.

2. That the proposal of the Financial Institution is hereby approved and that the cost of the Skid-Steer Loader including related financing costs in the amount of \$44,000.00 shall be financed through the Financial Institution through an installment purchase at an interest rate of

1.80% per annum by the level payment of monthly principal and interest commencing July 1, 2017, and ending June 1, 2022.

3. That the Agreement is hereby approved substantially in the form presented at this meeting with such additions, changes and modifications as shall be approved by the Mayor and City Clerk and shall be acknowledged by their execution of the Agreement.

4. That the Skid-Steer Loader has a useful life extending beyond June 1, 2022, the term of the Agreement.

5. That the City hereby agrees to include in its budget for each fiscal year during the term hereof an amount sufficient to pay when due the principal of and interest coming due under the Agreement during such fiscal year. In addition, the City hereby pledges to levy in each fiscal year *ad valorem* taxes on all taxable property in the City in an amount which, together with other funds available for such purpose, shall be sufficient for the payments required under the Agreement in such fiscal year. Any such tax levy is, however, subject to existing statutory, constitutional and charter tax limitations.

6. That the City designates the interest payments payable pursuant to the Agreement as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Internal Revenue Code of 1986, as amended (the "Code"), and does not reasonably anticipate that it and all its subordinate entities will issue qualified tax-exempt obligations in excess of \$10,000,000 during the 2017 calendar year.

7. That the City covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest component of the payments due under the Agreement from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code").

8. That the Mayor, City Clerk, City Treasurer, City Manager, or any of them, are hereby directed and authorized to execute the Agreement and such additional certificates and other documents in a form approved by the City Attorney as shall be necessary to effectuate the closing contemplated by the Agreement.

9. That all resolutions or parts of resolutions insofar as they conflict with the provisions hereof be and the same hereby are rescinded to the extent of such conflict.

YEAS: Councilmembers \_\_\_\_\_

\_\_\_\_\_

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

ABSTAIN: Councilmembers \_\_\_\_\_

ABSENT: Councilmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: April 17, 2017

\_\_\_\_\_  
Susan Ullery, City Clerk

**CERTIFICATION**

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Lowell, at a regular meeting held on April 17, 2017, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: April 17, 2017

\_\_\_\_\_  
Susan Ullery, City Clerk



**EXHIBIT A**  
**CITY OF LOWELL**  
**KENT COUNTY, MICHIGAN**  
**ACT 99 INSTALLMENT PURCHASE, SERIES 2017**  
**(Skid-Steer Loader)**

**INSTALLMENT PURCHASE AGREEMENT**

**THIS INSTALLMENT PURCHASE AGREEMENT** made and executed as of April 21, 2017, (hereinafter referred to as the "Agreement"), by and between the **City of Lowell**, Kent County, Michigan, a Michigan home rule city, organized and existing under the Constitution and laws of the State of Michigan (hereinafter referred to as the "City"), **Clark Equipment Company d/b/a Bobcat Company**, West Fargo, North Dakota (hereinafter referred to as the "Vendor"), and **Mercantile Bank of Michigan**, Grand Rapids, Michigan, as assignee of the Vendor (hereinafter referred to as the "Financial Institution").

**WITNESSETH:**

**WHEREAS**, the City intends to acquire a skid-steer loader described on Exhibit A attached hereto (hereinafter referred to as the "Skid-Steer Loader") from the Vendor for use by the City for public purposes; and

**WHEREAS**, the City desires to pay for the cost of the Skid-Steer Loader through an installment purchase as authorized by Act 99 of the Public Acts of Michigan of 1933, as amended (hereinafter referred to as "Act 99"); and

**WHEREAS**, the Financial Institution is willing to provide the required funding that will enable the City to acquire the Skid-Steer Loader on an installment purchase plan pursuant to the terms and conditions of this Agreement.

**NOW, THEREFORE**, in consideration of the respective representations and agreements herein contained, the parties hereto agree as follows:

**Section 1. Definitions.** The following terms, wherever used in this Agreement shall have the following meanings, unless the context shall indicate another or different meaning:

"Act 99" means Act 99 of the Public Acts of Michigan of 1933, as amended.

"Agreement" means this Installment Purchase Agreement, by and between the City, Vendor and Financial Institution.

"Code" means the Internal Revenue Code of 1986, as amended. Reference to the Code shall also include applicable regulations and proposed regulations thereunder and any successor provisions thereof.

“Financed Funds” means the sum of \$44,000.00 to be provided by the Financial Institution towards the Purchase Price of the Skid-Steer Loader and related financing costs.

“Financed Purchase Price” means the Purchase Price of the Skid-Steer Loader, namely \$44,000.00, to be provided pursuant to the terms of this Agreement.

“Financial Institution” means Mercantile Bank of Michigan, Grand Rapids, Michigan.

“Interest Payment” means the payment of interest on the unpaid principal balance of the Purchase Price in accordance with the schedule set forth in Exhibit B attached hereto.

“Interest Rate” means an interest rate of 1.80% per annum, computed on the basis of a 360-day year for the actual number of days elapsed.

“Payment Date” means the date a Principal Payment and Interest Payment are due and payable in accordance with the schedule set forth in Exhibit B attached hereto. The first Payment Date shall be July 1, 2017, and subsequent Payment Dates shall be the first day of each subsequent calendar month to and including June 1, 2022.

“Principal Payment” means the payment of a principal installment of the Financed Purchase Price in accordance with the schedule set forth in Exhibit B attached hereto.

“Purchase Price” means the purchase price of the Skid-Steer Loader in the amount of \$42,665.80 to be financed pursuant to this Agreement.

“Skid-Steer Loader” means the Skid-Steer Loader described in Exhibit A attached hereto.

“State” means the State of Michigan.

“Vendor” means Clark Equipment Company d/b/a Bobcat Company, West Fargo, North Dakota.

**Section 2. Purchase of Skid-Steer Loader.** The City agrees to purchase and the Vendor agrees to sell and provide the Skid-Steer Loader to the City for the Purchase Price pursuant to the terms and conditions of this Agreement. The City has or will pay the Vendor or reimburse itself for the payment to the Vendor of the Purchase Price for the Skid-Steer Loader from the Financed Funds it receives from the Financial Institution.

**Section 3. Assignment of Vendor’s Interest.** The Vendor hereby irrevocably assigns its interest in this Agreement, except for certain warranties, indemnifications, representations and other obligations as hereinafter provided, to the Financial Institution in consideration for the City’s promise to pay or its payment to the Vendor the Purchase Price of the Skid-Steer Loader. Such assignment shall not, however, include any warranties, indemnifications, representations or other obligations of the Vendor referenced in Section 15 hereof, and Vendor hereby acknowledges that all of said warranties, indemnifications, representations and other obligations shall not be assigned and shall remain the sole

responsibility of the Vendor. The City hereby consents to this assignment in consideration for the Financial Institution's promise to provide the City an amount equal to the Financed Purchase Price to be used to pay the Vendor or reimburse itself the payments made to the Vendor of the Purchase Price for the Skid-Steer Loader. The Financial Institution hereby accepts this assignment and will, upon execution of this Agreement, pay to the City in immediately available funds, an amount equal to the Financed Purchase Price of the Skid-Steer Loader to be used by the City to pay the Vendor or reimburse itself the payments made to the Vendor of the Purchase Price of the Skid-Steer Loader and to pay certain related financing costs in consideration for the City's promise to pay the Financial Institution the Principal Payments and Interest Payments in accordance with Section 4 hereof.

**Section 4. Installment Payments.** The City agrees to pay to the Financial Institution, as assignee of the Vendor, the Principal Payments and Interest Payments on the Payment Dates in accordance with the schedule set forth in Exhibit B attached hereto as payment for the Skid-Steer Loader on an installment purchase plan in accordance with Act 99.

**Section 5. Payments Unconditional.** The City obligation to the Financial Institution to pay the Principal Payments and Interest Payments and any other amounts owed hereunder is absolute and unconditional and shall remain in full force and effect until the amounts owed hereunder shall have been paid by the City to the Financial Institution, and such obligation shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation, any of the following:

- (a) Any failure of title with respect to the Skid-Steer Loader;
- (b) The invalidity, unenforceability or termination of this Agreement;
- (c) The modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in this Agreement;
- (d) The voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment or other similar proceedings affecting Vendor or any of its assets or any allocation or contest of the validity of this Agreement, or the disaffirmance of this Agreement in any such proceeding;
- (e) To the extent permitted by law, any event or action which would, in the absence of this clause, result in release or discharge by operation of law of the Vendor from the performance or observation of any obligation, covenant or agreement contained in this Agreement;
- (f) The default or failure of the Vendor fully to perform any of its obligations set forth in this Agreement or any other agreement; or
- (g) Any casualty or destruction of the Skid-Steer Loader.

The City shall make payments when due and shall not withhold any such payments as a result of any disputes arising between the City and the Vendor or any other person, nor shall the City assert any right of set-off or counterclaim against its obligation to make such payments or be entitled to any abatement of such payments as a result of accident or unforeseen circumstances, or the Skid-Steer Loader being inoperative.

**Section 6. Prepayment.** The Principal Payments may not be prepaid by the City without the approval of the Financial Institution.

**Section 7. Ownership of Skid-Steer Loader.** Upon delivery to and acceptance by the City, ownership of the Skid-Steer Loader shall vest in the City.

**Section 8. Useful Life of Skid-Steer Loader.** The City represents that the useful life of the Skid-Steer Loader is equal to or longer than the date of the final Principal Payment as set forth in Exhibit B attached hereto.

**Section 9. Security for Payment – Limited Full Faith and Credit.** The City agrees to include in its budget for each fiscal year during the term hereof an amount sufficient to pay when due the Principal Payments and Interest Payments coming due under this Agreement during such fiscal year. In addition, the City hereby pledges to levy in each fiscal year *ad valorem* taxes on all taxable property in the City in an amount which, together with other funds available for such purpose, shall be sufficient for the payment of such Principal Payments and Interest Payments in such fiscal year. Any such tax levy is, however, subject to existing constitutional, statutory and charter tax limitations.

**Section 10. Term of Agreement.** This Agreement shall terminate on the final Payment Date indicated on Exhibit B attached hereto or such earlier date that all amounts due hereunder by City to Financial Institution are paid in full.

**Section 11. Representations of the City.** The City makes the following representations:

(a) The City is a home rule city duly organized and legally existing under the constitution and laws of the State.

(b) The City will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a home rule city.

(c) The City is authorized under the constitution and laws of the State to enter into this Agreement and the transactions contemplated hereby and to perform all of its obligations hereunder.

(d) This Agreement constitutes a legal, valid, binding and enforceable obligation of the City in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) During the term of this Agreement, the Skid-Steer Loader will be used exclusively by the City only for the purpose of performing one or more governmental public functions of the City consistent with the permissible scope of the City's authority.

(f) The City will, upon request, annually provide the Financial Institution with a copy of its annual audit within 180 days after the end of each fiscal year of the City during the term of this Agreement.

(g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting the City, nor to the best knowledge of the City is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement. All actions, authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the City of this Agreement or in connection with the carrying out by the City of its obligations hereunder have been obtained.

(h) Neither the payment of the Principal Payments and Interest Payments hereunder nor any portion thereof is directly or indirectly (a) secured by any interest in (i) property used or to be used for a private business use (within the meaning of Section 141(b) of the Code) or (ii) payments in respect of such property or (b) to be derived from payments (whether or not to the City) in respect of property, or borrowed money, used or to be used for a private business use (within the meaning of Section 141(b) of the Code). The Skid-Steer Loader will not be used for any private business use (within the meaning of Section 141(b) of the Code).

(i) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which the City is or is to be a party will not violate any judgment, order, law or regulation applicable to the City.

(j) The City has adopted a binding resolution determining the useful life of the Skid-Steer Loader is equal to or longer than the date of final payment hereunder.

**Section 12. Representations of the Vendor and Financial Institution.** The Vendor and Financial Institution each respectively make the following representations:

(a) It has the legal capacity to execute this Agreement and to carry out its obligations and undertakings hereunder and the person executing this Agreement on its behalf has been duly authorized to do so.

(b) The Agreement is valid, binding and enforceable in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

**Section 13. Tax Covenants.** The City hereby agrees to comply with all applicable provisions of the Code that must be satisfied at the time of delivery of or subsequent to delivery of this Agreement in order that the Interest Payments be (or continue to be) excluded from gross

income for federal income tax purposes. The City further covenants and agrees that it will not take any action or fail to take any action with respect to the investment of the proceeds (as that term is used in Section 148 of the Code) of this Agreement which results in this Agreement constituting "arbitrage bonds" within the meaning of such term as used in Section 148 of the Code and that it will comply with any applicable rebate requirements of Section 148(f) of the Code.

**Section 14. Event of Taxability.** If an Event of Taxability shall occur, as hereinafter defined, all outstanding Principal Payments plus accrued and unpaid interest shall be due and payable and the City shall not later than 30 days following the Event of Taxability pay said amounts to the Financial Institution. An "Event of Taxability" shall mean the issuance of a statutory Notice of Deficiency by the Internal Revenue Service or a ruling of the National Office or any District Office of the Internal Revenue Service, or final decision of a court of competent jurisdiction which holds in effect that, by reason of the City's violation or failure to comply with any applicable provision of the Code, the Interest Payments are includable in the gross income of the Financial Institution for federal income tax purposes.

**Section 15. Vendor's Representations, Warranties and Indemnification.** The Vendor agrees to all of the instructions, terms and conditions as outlined in the City invitation for bids and acceptance thereof by the City or any other agreement between the City and the Vendor to purchase the Skid-Steer Loader. In the event of a conflict in terms between this Agreement and the above referenced documents, the specific terms of this Agreement shall govern. Representations, warranties and indemnification, if any, with respect to the Skid-Steer Loader shall not be assigned, but shall remain enforceable by the City against the Vendor. The City's sole remedy for the breach of any such warranties, representations or indemnification shall be against the Vendor. The City expressly acknowledges that the Financial Institution makes, and has made, no representation or warranties whatsoever as to the existence or availability or enforceability of such warranties of the Vendor.

**Section 16. Disclaimer of Warranties by Financial Institution.** The Financial Institution makes no warranty or representation, either expressed or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Skid-Steer Loader, or warranty with respect thereto. In no event shall the Financial Institution be liable for any incidental, indirect, special, or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning, or the City's use of the Skid-Steer Loader.

**Section 17. Indemnification by City.** To the extent permitted by the laws and the constitution of the State, the City shall protect, hold harmless and indemnify the Financial Institution from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereto, and expenses in connection therewith, including without limitation, reasonable counsel fees and expenses arising out of the acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of the Skid-Steer Loader or any accident in connection with the operation, use, condition, possession, storage or return of the Skid-Steer Loader resulting in damage to the Skid-Steer Loader or injury or death to any person.

This indemnification shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of this Agreement for any reason.

**Section 18. Events of Default.** The following shall be an "Event of Default" under this Agreement:

(a) Failure by the City to make the Principal Payments and Interest Payments at the times specified herein; or

(b) Failure of the City to observe and perform any other covenant, condition or agreement on its part to be observed or performed and continuation of such failure for a period of 30 days after written notice specifying such failure and requesting that it be remedied, unless the Financial Institution shall agree in writing to an extension of such time prior to its expiration, or unless such failure is other than the payment of money and shall be such that it cannot with due diligence be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the City within such period and diligently pursued until corrected; or

(c) The City shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) commence a proceeding under any federal or state bankruptcy, insolvency, reorganized or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed or unstayed for 60 days; (iii) make an assignment for the benefit of creditors or provide for the entry into any agreement for the composition of creditors; or (iv) have applied for the appointment of a receiver, purchaser or liquidator for it or the whole or any substantial part of its property; or

(d) The City shall materially breach any representation or warranty under this Agreement.

**Section 19. Remedies Upon Default.** Whenever an Event of Default referred to in Section 18 hereof shall occur and be continuing, the Financial Institution shall have the right to exercise the following remedies:

(a) Upon the occurrence of an Event of Default described in Section 18(a) hereof and the failure to cure such Event of Default within 5 days, may declare all of the unpaid Principal Payments and Interest Payments (the portion thereof accrued) to be immediately due and payable, whereupon such amounts shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived; and

(b) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement.

**Section 20. Assignment.** This Agreement, and the obligation of the City to make the payments hereunder, may be assigned by the Financial Institution and reassigned in whole or in part to one or more assignees at any time subsequent to its execution, without the necessity of obtaining the consent of the City. The Financial Institution agrees to give notice of assignment

to the City and upon receipt of such notice the City agrees to make all payments to the assignee, notwithstanding any claim, defense, set off or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that the City may from time to time have against the Financial Institution or the assignee. The Financial Institution's interest in this Agreement may not be assigned or reassigned in whole or in part unless (i) the document by which such assignment or reassignment is made discloses the name and address of the assignee, and (ii) the City receives written notification of the name and address of the assignee. The City hereby designates the Financial Institution or its assignee as its agent to maintain a book entry system in conformance with Section 149(a) of the Code, consisting of a record of ownership that identifies the owner of any interest in this Agreement, which record may be examined by the City at its request. The right to payment of the amounts due hereunder may be transferred only through such book entry system. Anything in the foregoing to the contrary notwithstanding, the Financial Institution's interest in this Agreement may be assigned in whole or in part upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for holders of certificates of participation in this Agreement.

**Section 21. Notice.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when dispatched by registered or certified mail, return receipt requested, postage prepaid, or by hand delivery, or by telegram and confirmed the same day by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the City:

City of Lowell  
301 E. Main Street  
Lowell, Michigan 49331

If to the Financial Institution:

Mercantile Bank of Michigan  
310 Leonard Street, N.W.  
Grand Rapids, Michigan 49504

If to the Vendor:

Clark Equipment Company d/b/a Bobcat Company  
250 E. Beaton Drive  
West Fargo, North Dakota 58078

The parties hereto may, by notice given hereunder, designate any further or different address to which subsequent notices, certificates or other communications may be sent.

**Section 22. Governing Law.** This Agreement shall be construed in all respects in accordance with the laws of the State.



**Section 23. Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 24. Binding Effect.** The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto.

**Section 25. Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 26. Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

**Section 27. Entire Agreement.** This Agreement constitutes the entire agreement between the parties, and there are no representations, warranties, promises, guarantees or agreements, oral or written, express or implied, between the parties hereto with respect to this Agreement.

**Section 28. Amendments.** This Agreement may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the City and Financial Institution.

**IN WITNESS WHEREOF,** the City, Financial Institution and Vendor have caused these presents to be signed all as of the day and year first above written.

**CITY OF LOWELL**  
**"City"**

By: \_\_\_\_\_  
Michael DeVore, Mayor

Attest:

\_\_\_\_\_  
Susan Ullery, City Clerk

**MERCANTILE BANK OF MICHIGAN**  
**"Financial Institution"**

By: \_\_\_\_\_  
Daniel P. Mitchell  
Vice President

**CLARK EQUIPMENT COMPANY D/B/A**  
**BOBCAT COMPANY**  
**"Vendor"**

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

## **EXHIBIT A**

### **Skid-Steer Loader**

<b>Description</b>	<b>Quantity</b>	<b>Purchase Price</b>
S550T4 Bobcat Skid-Steer Loader	1	\$42,665.80

**EXHIBIT B****INSTALLMENT PAYMENTS**

<b>Payment Date</b>	<b>Principal Payment</b>	<b>Interest Payment</b>	<b>Total Principal and Interest Payment</b>
July 1, 2017	\$93.29	\$176.00	\$769.29
August 1, 2017	704.18	65.11	769.29
September 1, 2017	705.24	64.05	769.29
October 1, 2017	706.29	63.00	769.29
November 1, 2017	707.35	61.94	769.29
December 1, 2017	708.41	60.88	769.29
January 1, 2018	709.48	59.81	769.29
February 1, 2018	710.54	58.75	769.29
March 1, 2018	711.61	57.68	769.29
April 1, 2018	712.67	56.62	769.29
May 1, 2018	713.74	55.55	769.29
June 1, 2018	714.81	54.48	769.29
July 1, 2018	715.89	53.40	769.29
August 1, 2018	716.96	52.33	769.29
September 1, 2018	718.04	51.25	769.29
October 1, 2018	719.11	50.18	769.29
November 1, 2018	720.19	49.10	769.29
December 1, 2018	721.27	48.02	769.29
January 1, 2019	722.35	46.94	769.29
February 1, 2019	723.44	45.85	769.29
March 1, 2019	724.52	44.77	769.29
April 1, 2019	725.61	43.68	769.29
May 1, 2019	726.70	42.59	769.29
June 1, 2019	727.79	41.50	769.29
July 1, 2019	728.88	40.41	769.29
August 1, 2019	729.97	39.32	769.29
September 1, 2019	731.07	38.22	769.29
October 1, 2019	732.16	37.13	769.29
November 1, 2019	733.26	36.03	769.29
December 1, 2019	734.36	34.93	769.29
January 1, 2020	735.46	33.83	769.29
February 1, 2020	736.57	32.72	769.29
March 1, 2020	737.67	31.62	769.29
April 1, 2020	738.78	30.51	769.29
May 1, 2020	739.89	29.40	769.29
June 1, 2020	741.00	28.29	769.29
July 1, 2020	742.11	27.18	769.29

August 1, 2020	743.22	26.07	769.29
September 1, 2020	744.34	24.95	769.29
October 1, 2020	745.45	23.84	769.29
November 1, 2020	746.57	22.72	769.29
December 1, 2020	747.69	21.60	769.29
January 1, 2021	748.81	20.48	769.29
February 1, 2021	749.93	19.36	769.29
March 1, 2021	751.06	18.23	769.29
April 1, 2021	752.19	17.10	769.29
May 1, 2021	753.31	15.98	769.29
June 1, 2021	754.44	14.85	769.29
July 1, 2021	755.58	13.71	769.29
August 1, 2021	756.71	12.58	769.29
September 1, 2021	757.84	11.45	769.29
October 1, 2021	758.98	10.31	769.29
November 1, 2021	760.12	9.17	769.29
December 1, 2021	761.26	8.03	769.29
January 1, 2022	762.40	6.89	769.29
February 1, 2022	763.55	5.74	769.29
March 1, 2022	764.69	4.60	769.29
April 1, 2022	765.84	3.45	769.29
May 1, 2022	766.99	2.30	769.29
June 1, 2022	768.60	1.15	769.75

**CITY OF LOWELL  
KENT COUNTY, MICHIGAN  
ACT 99 INSTALLMENT PURCHASE, SERIES 2017  
(Skid-Steer Loader)**

**INSTALLMENT PURCHASE AGREEMENT**

**THIS INSTALLMENT PURCHASE AGREEMENT** made and executed as of April 21, 2017, (hereinafter referred to as the "Agreement"), by and between the **City of Lowell**, Kent County, Michigan, a Michigan home rule city, organized and existing under the Constitution and laws of the State of Michigan (hereinafter referred to as the "City"), **Clark Equipment Company d/b/a Bobcat Company**, West Fargo, North Dakota (hereinafter referred to as the "Vendor"), and **Mercantile Bank of Michigan**, Grand Rapids, Michigan, as assignee of the Vendor (hereinafter referred to as the "Financial Institution").

**WITNESSETH:**

**WHEREAS**, the City intends to acquire a skid-steer loader described on Exhibit A attached hereto (hereinafter referred to as the "Skid-Steer Loader") from the Vendor for use by the City for public purposes; and

**WHEREAS**, the City desires to pay for the cost of the Skid-Steer Loader through an installment purchase as authorized by Act 99 of the Public Acts of Michigan of 1933, as amended (hereinafter referred to as "Act 99"); and

**WHEREAS**, the Financial Institution is willing to provide the required funding that will enable the City to acquire the Skid-Steer Loader on an installment purchase plan pursuant to the terms and conditions of this Agreement.

**NOW, THEREFORE**, in consideration of the respective representations and agreements herein contained, the parties hereto agree as follows:

**Section 1. Definitions.** The following terms, wherever used in this Agreement shall have the following meanings, unless the context shall indicate another or different meaning:

"Act 99" means Act 99 of the Public Acts of Michigan of 1933, as amended.

"Agreement" means this Installment Purchase Agreement, by and between the City, Vendor and Financial Institution.

"Code" means the Internal Revenue Code of 1986, as amended. Reference to the Code shall also include applicable regulations and proposed regulations thereunder and any successor provisions thereof.

"Financed Funds" means the sum of \$44,000.00 to be provided by the Financial Institution towards the Purchase Price of the Skid-Steer Loader and related financing costs.

“Financed Purchase Price” means the Purchase Price of the Skid-Steer Loader, namely \$44,000.00, to be provided pursuant to the terms of this Agreement.

“Financial Institution” means Mercantile Bank of Michigan, Grand Rapids, Michigan.

“Interest Payment” means the payment of interest on the unpaid principal balance of the Purchase Price in accordance with the schedule set forth in Exhibit B attached hereto.

“Interest Rate” means an interest rate of 1.80% per annum, computed on the basis of a 360-day year for the actual number of days elapsed.

“Payment Date” means the date a Principal Payment and Interest Payment are due and payable in accordance with the schedule set forth in Exhibit B attached hereto. The first Payment Date shall be July 1, 2017, and subsequent Payment Dates shall be the first day of each subsequent calendar month to and including June 1, 2022.

“Principal Payment” means the payment of a principal installment of the Financed Purchase Price in accordance with the schedule set forth in Exhibit B attached hereto.

“Purchase Price” means the purchase price of the Skid-Steer Loader in the amount of \$42,665.80 to be financed pursuant to this Agreement.

“Skid-Steer Loader” means the Skid-Steer Loader described in Exhibit A attached hereto.

“State” means the State of Michigan.

“Vendor” means Clark Equipment Company d/b/a Bobcat Company, West Fargo, North Dakota.

**Section 2. Purchase of Skid-Steer Loader.** The City agrees to purchase and the Vendor agrees to sell and provide the Skid-Steer Loader to the City for the Purchase Price pursuant to the terms and conditions of this Agreement. The City has or will pay the Vendor or reimburse itself for the payment to the Vendor of the Purchase Price for the Skid-Steer Loader from the Financed Funds it receives from the Financial Institution.

**Section 3. Assignment of Vendor’s Interest.** The Vendor hereby irrevocably assigns its interest in this Agreement, except for certain warranties, indemnifications, representations and other obligations as hereinafter provided, to the Financial Institution in consideration for the City’s promise to pay or its payment to the Vendor the Purchase Price of the Skid-Steer Loader. Such assignment shall not, however, include any warranties, indemnifications, representations or other obligations of the Vendor referenced in Section 15 hereof, and Vendor hereby acknowledges that all of said warranties, indemnifications, representations and other obligations shall not be assigned and shall remain the sole responsibility of the Vendor. The City hereby consents to this assignment in consideration for the Financial Institution’s promise to provide the City an amount equal to the Financed Purchase

Price to be used to pay the Vendor or reimburse itself the payments made to the Vendor of the Purchase Price for the Skid-Steer Loader. The Financial Institution hereby accepts this assignment and will, upon execution of this Agreement, pay to the City in immediately available funds, an amount equal to the Financed Purchase Price of the Skid-Steer Loader to be used by the City to pay the Vendor or reimburse itself the payments made to the Vendor of the Purchase Price of the Skid-Steer Loader and to pay certain related financing costs in consideration for the City's promise to pay the Financial Institution the Principal Payments and Interest Payments in accordance with Section 4 hereof.

**Section 4. Installment Payments.** The City agrees to pay to the Financial Institution, as assignee of the Vendor, the Principal Payments and Interest Payments on the Payment Dates in accordance with the schedule set forth in Exhibit B attached hereto as payment for the Skid-Steer Loader on an installment purchase plan in accordance with Act 99.

**Section 5. Payments Unconditional.** The City obligation to the Financial Institution to pay the Principal Payments and Interest Payments and any other amounts owed hereunder is absolute and unconditional and shall remain in full force and effect until the amounts owed hereunder shall have been paid by the City to the Financial Institution, and such obligation shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation, any of the following:

- (a) Any failure of title with respect to the Skid-Steer Loader;
- (b) The invalidity, unenforceability or termination of this Agreement;
- (c) The modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in this Agreement;
- (d) The voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment or other similar proceedings affecting Vendor or any of its assets or any allocation or contest of the validity of this Agreement, or the disaffirmance of this Agreement in any such proceeding;
- (e) To the extent permitted by law, any event or action which would, in the absence of this clause, result in release or discharge by operation of law of the Vendor from the performance or observation of any obligation, covenant or agreement contained in this Agreement;
- (f) The default or failure of the Vendor fully to perform any of its obligations set forth in this Agreement or any other agreement; or
- (g) Any casualty or destruction of the Skid-Steer Loader.



The City shall make payments when due and shall not withhold any such payments as a result of any disputes arising between the City and the Vendor or any other person, nor shall the City assert any right of set-off or counterclaim against its obligation to make such payments or be entitled to any abatement of such payments as a result of accident or unforeseen circumstances, or the Skid-Steer Loader being inoperative.

**Section 6. Prepayment.** The Principal Payments may not be prepaid by the City without the approval of the Financial Institution.

**Section 7. Ownership of Skid-Steer Loader.** Upon delivery to and acceptance by the City, ownership of the Skid-Steer Loader shall vest in the City.

**Section 8. Useful Life of Skid-Steer Loader.** The City represents that the useful life of the Skid-Steer Loader is equal to or longer than the date of the final Principal Payment as set forth in Exhibit B attached hereto.

**Section 9. Security for Payment – Limited Full Faith and Credit.** The City agrees to include in its budget for each fiscal year during the term hereof an amount sufficient to pay when due the Principal Payments and Interest Payments coming due under this Agreement during such fiscal year. In addition, the City hereby pledges to levy in each fiscal year *ad valorem* taxes on all taxable property in the City in an amount which, together with other funds available for such purpose, shall be sufficient for the payment of such Principal Payments and Interest Payments in such fiscal year. Any such tax levy is, however, subject to existing constitutional, statutory and charter tax limitations.

**Section 10. Term of Agreement.** This Agreement shall terminate on the final Payment Date indicated on Exhibit B attached hereto or such earlier date that all amounts due hereunder by City to Financial Institution are paid in full.

**Section 11. Representations of the City.** The City makes the following representations:

(a) The City is a home rule city duly organized and legally existing under the constitution and laws of the State.

(b) The City will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a home rule city.

(c) The City is authorized under the constitution and laws of the State to enter into this Agreement and the transactions contemplated hereby and to perform all of its obligations hereunder.

(d) This Agreement constitutes a legal, valid, binding and enforceable obligation of the City in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) During the term of this Agreement, the Skid-Steer Loader will be used exclusively by the City only for the purpose of performing one or more governmental public functions of the City consistent with the permissible scope of the City's authority.

(f) The City will, upon request, annually provide the Financial Institution with a copy of its annual audit within 180 days after the end of each fiscal year of the City during the term of this Agreement.

(g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting the City, nor to the best knowledge of the City is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement. All actions, authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the City of this Agreement or in connection with the carrying out by the City of its obligations hereunder have been obtained.

(h) Neither the payment of the Principal Payments and Interest Payments hereunder nor any portion thereof is directly or indirectly (a) secured by any interest in (i) property used or to be used for a private business use (within the meaning of Section 141(b) of the Code) or (ii) payments in respect of such property or (b) to be derived from payments (whether or not to the City) in respect of property, or borrowed money, used or to be used for a private business use (within the meaning of Section 141(b) of the Code). The Skid-Steer Loader will not be used for any private business use (within the meaning of Section 141(b) of the Code).

(i) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which the City is or is to be a party will not violate any judgment, order, law or regulation applicable to the City.

(j) The City has adopted a binding resolution determining the useful life of the Skid-Steer Loader is equal to or longer than the date of final payment hereunder.

**Section 12. Representations of the Vendor and Financial Institution.** The Vendor and Financial Institution each respectively make the following representations:

(a) It has the legal capacity to execute this Agreement and to carry out its obligations and undertakings hereunder and the person executing this Agreement on its behalf has been duly authorized to do so.

(b) The Agreement is valid, binding and enforceable in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

**Section 13. Tax Covenants.** The City hereby agrees to comply with all applicable provisions of the Code that must be satisfied at the time of delivery of or subsequent to delivery of this Agreement in order that the Interest Payments be (or continue to be) excluded from gross income for federal income tax purposes. The City further covenants and agrees that it will not

take any action or fail to take any action with respect to the investment of the proceeds (as that term is used in Section 148 of the Code) of this Agreement which results in this Agreement constituting "arbitrage bonds" within the meaning of such term as used in Section 148 of the Code and that it will comply with any applicable rebate requirements of Section 148(f) of the Code.

**Section 14. Event of Taxability.** If an Event of Taxability shall occur, as hereinafter defined, all outstanding Principal Payments plus accrued and unpaid interest shall be due and payable and the City shall not later than 30 days following the Event of Taxability pay said amounts to the Financial Institution. An "Event of Taxability" shall mean the issuance of a statutory Notice of Deficiency by the Internal Revenue Service or a ruling of the National Office or any District Office of the Internal Revenue Service, or final decision of a court of competent jurisdiction which holds in effect that, by reason of the City's violation or failure to comply with any applicable provision of the Code, the Interest Payments are includable in the gross income of the Financial Institution for federal income tax purposes.

**Section 15. Vendor's Representations, Warranties and Indemnification.** The Vendor agrees to all of the instructions, terms and conditions as outlined in the City invitation for bids and acceptance thereof by the City or any other agreement between the City and the Vendor to purchase the Skid-Steer Loader. In the event of a conflict in terms between this Agreement and the above referenced documents, the specific terms of this Agreement shall govern. Representations, warranties and indemnification, if any, with respect to the Skid-Steer Loader shall not be assigned, but shall remain enforceable by the City against the Vendor. The City's sole remedy for the breach of any such warranties, representations or indemnification shall be against the Vendor. The City expressly acknowledges that the Financial Institution makes, and has made, no representation or warranties whatsoever as to the existence or availability or enforceability of such warranties of the Vendor.

**Section 16. Disclaimer of Warranties by Financial Institution.** The Financial Institution makes no warranty or representation, either expressed or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Skid-Steer Loader, or warranty with respect thereto. In no event shall the Financial Institution be liable for any incidental, indirect, special, or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning, or the City's use of the Skid-Steer Loader.

**Section 17. Indemnification by City.** To the extent permitted by the laws and the constitution of the State, the City shall protect, hold harmless and indemnify the Financial Institution from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereto, and expenses in connection therewith, including without limitation, reasonable counsel fees and expenses arising out of the acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of the Skid-Steer Loader or any accident in connection with the operation, use, condition, possession, storage or return of the Skid-Steer Loader resulting in damage to the Skid-Steer Loader or injury or death to any person. This indemnification shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of this Agreement for any reason.

**Section 18. Events of Default.** The following shall be an "Event of Default" under this Agreement:

(a) Failure by the City to make the Principal Payments and Interest Payments at the times specified herein; or

(b) Failure of the City to observe and perform any other covenant, condition or agreement on its part to be observed or performed and continuation of such failure for a period of 30 days after written notice specifying such failure and requesting that it be remedied, unless the Financial Institution shall agree in writing to an extension of such time prior to its expiration, or unless such failure is other than the payment of money and shall be such that it cannot with due diligence be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the City within such period and diligently pursued until corrected; or

(c) The City shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) commence a proceeding under any federal or state bankruptcy, insolvency, reorganized or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed or unstayed for 60 days; (iii) make an assignment for the benefit of creditors or provide for the entry into any agreement for the composition of creditors; or (iv) have applied for the appointment of a receiver, purchaser or liquidator for it or the whole or any substantial part of its property; or

(d) The City shall materially breach any representation or warranty under this Agreement.

**Section 19. Remedies Upon Default.** Whenever an Event of Default referred to in Section 18 hereof shall occur and be continuing, the Financial Institution shall have the right to exercise the following remedies:

(a) Upon the occurrence of an Event of Default described in Section 18(a) hereof and the failure to cure such Event of Default within 5 days, may declare all of the unpaid Principal Payments and Interest Payments (the portion thereof accrued) to be immediately due and payable, whereupon such amounts shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived; and

(b) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement.

**Section 20. Assignment.** This Agreement, and the obligation of the City to make the payments hereunder, may be assigned by the Financial Institution and reassigned in whole or in part to one or more assignees at any time subsequent to its execution, without the necessity of obtaining the consent of the City. The Financial Institution agrees to give notice of assignment to the City and upon receipt of such notice the City agrees to make all payments to the assignee, notwithstanding any claim, defense, set off or counterclaim whatsoever (whether arising from a

breach of this Agreement or otherwise) that the City may from time to time have against the Financial Institution or the assignee. The Financial Institution's interest in this Agreement may not be assigned or reassigned in whole or in part unless (i) the document by which such assignment or reassignment is made discloses the name and address of the assignee, and (ii) the City receives written notification of the name and address of the assignee. The City hereby designates the Financial Institution or its assignee as its agent to maintain a book entry system in conformance with Section 149(a) of the Code, consisting of a record of ownership that identifies the owner of any interest in this Agreement, which record may be examined by the City at its request. The right to payment of the amounts due hereunder may be transferred only through such book entry system. Anything in the foregoing to the contrary notwithstanding, the Financial Institution's interest in this Agreement may be assigned in whole or in part upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for holders of certificates of participation in this Agreement.

**Section 21. Notice.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when dispatched by registered or certified mail, return receipt requested, postage prepaid, or by hand delivery, or by telegram and confirmed the same day by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the City:

City of Lowell  
301 E. Main Street  
Lowell, Michigan 49331

If to the Financial Institution:

Mercantile Bank of Michigan  
310 Leonard Street, N.W.  
Grand Rapids, Michigan 49504

If to the Vendor:

Clark Equipment Company d/b/a Bobcat Company  
250 E. Beaton Drive  
West Fargo, North Dakota 58078

The parties hereto may, by notice given hereunder, designate any further or different address to which subsequent notices, certificates or other communications may be sent.

**Section 22. Governing Law.** This Agreement shall be construed in all respects in accordance with the laws of the State.

**Section 23. Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 24. Binding Effect.** The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto.

**Section 25. Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 26. Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

**Section 27. Entire Agreement.** This Agreement constitutes the entire agreement between the parties, and there are no representations, warranties, promises, guarantees or agreements, oral or written, express or implied, between the parties hereto with respect to this Agreement.

**Section 28. Amendments.** This Agreement may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the City and Financial Institution.

**IN WITNESS WHEREOF,** the City, Financial Institution and Vendor have caused these presents to be signed all as of the day and year first above written.

**CITY OF LOWELL**  
**"City"**

By: \_\_\_\_\_  
Michael DeVore, Mayor

Attest:

\_\_\_\_\_  
Susan Ullery, City Clerk

**MERCANTILE BANK OF MICHIGAN**  
**"Financial Institution"**

By: \_\_\_\_\_  
Daniel P. Mitchell  
Vice President

**CLARK EQUIPMENT COMPANY D/B/A**  
**BOBCAT COMPANY**  
**"Vendor"**

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

## EXHIBIT A

### Skid-Steer Loader

Description	Quantity	Purchase Price
S550T4 Bobcat Skid-Steer Loader	1	\$42,665.80



**EXHIBIT B**

**INSTALLMENT PAYMENTS**

<b>Payment Date</b>	<b>Principal Payment</b>	<b>Interest Payment</b>	<b>Total Principal and Interest Payment</b>
July 1, 2017	\$93.29	\$176.00	\$769.29
August 1, 2017	704.18	65.11	769.29
September 1, 2017	705.24	64.05	769.29
October 1, 2017	706.29	63.00	769.29
November 1, 2017	707.35	61.94	769.29
December 1, 2017	708.41	60.88	769.29
January 1, 2018	709.48	59.81	769.29
February 1, 2018	710.54	58.75	769.29
March 1, 2018	711.61	57.68	769.29
April 1, 2018	712.67	56.62	769.29
May 1, 2018	713.74	55.55	769.29
June 1, 2018	714.81	54.48	769.29
July 1, 2018	715.89	53.40	769.29
August 1, 2018	716.96	52.33	769.29
September 1, 2018	718.04	51.25	769.29
October 1, 2018	719.11	50.18	769.29
November 1, 2018	720.19	49.10	769.29
December 1, 2018	721.27	48.02	769.29
January 1, 2019	722.35	46.94	769.29
February 1, 2019	723.44	45.85	769.29
March 1, 2019	724.52	44.77	769.29
April 1, 2019	725.61	43.68	769.29
May 1, 2019	726.70	42.59	769.29
June 1, 2019	727.79	41.50	769.29
July 1, 2019	728.88	40.41	769.29
August 1, 2019	729.97	39.32	769.29
September 1, 2019	731.07	38.22	769.29
October 1, 2019	732.16	37.13	769.29
November 1, 2019	733.26	36.03	769.29
December 1, 2019	734.36	34.93	769.29
January 1, 2020	735.46	33.83	769.29
February 1, 2020	736.57	32.72	769.29
March 1, 2020	737.67	31.62	769.29
April 1, 2020	738.78	30.51	769.29
May 1, 2020	739.89	29.40	769.29
June 1, 2020	741.00	28.29	769.29
July 1, 2020	742.11	27.18	769.29

August 1, 2020	743.22	26.07	769.29
September 1, 2020	744.34	24.95	769.29
October 1, 2020	745.45	23.84	769.29
November 1, 2020	746.57	22.72	769.29
December 1, 2020	747.69	21.60	769.29
January 1, 2021	748.81	20.48	769.29
February 1, 2021	749.93	19.36	769.29
March 1, 2021	751.06	18.23	769.29
April 1, 2021	752.19	17.10	769.29
May 1, 2021	753.31	15.98	769.29
June 1, 2021	754.44	14.85	769.29
July 1, 2021	755.58	13.71	769.29
August 1, 2021	756.71	12.58	769.29
September 1, 2021	757.84	11.45	769.29
October 1, 2021	758.98	10.31	769.29
November 1, 2021	760.12	9.17	769.29
December 1, 2021	761.26	8.03	769.29
January 1, 2022	762.40	6.89	769.29
February 1, 2022	763.55	5.74	769.29
March 1, 2022	764.69	4.60	769.29
April 1, 2022	765.84	3.45	769.29
May 1, 2022	766.99	2.30	769.29
June 1, 2022	768.60	1.15	769.75

**Information Return for Small Tax-Exempt  
Governmental Bond Issues, Leases, and Installment Sales**

► Under Internal Revenue Code section 149(e)

OMB No. 1545-0720

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

<b>Part I Reporting Authority</b>		Check box if Amended Return <input type="checkbox"/>	
1 Issuer's name		2 Issuer's employer identification number (EIN)	
City of Lowell		3 8 6 0 0 7 1 8 7	
3 Number and street (or P.O. box if mail is not delivered to street address)		Room/suite	
301 E. Main Street			
4 City, town, or post office, state, and ZIP code		5 Report number (For IRS Use Only)	
Lowell, Michigan 49331			
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information		7 Telephone number of officer or legal representative	
Suzanne M. Olin, City Treasurer		(616) 897-8457	

<b>Part II Description of Obligations</b> Check one: a single issue <input checked="" type="checkbox"/> or a consolidated return <input type="checkbox"/>	
8a Issue price of obligation(s) (see instructions)	8a 44,000 00
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ► 04/21/2017	
9 Amount of the reported obligation(s) on line 8a that is:	
a For leases for vehicles	9a
b For leases for office equipment	9b
c For leases for real property	9c
d For leases for other (see instructions)	9d
e For bank loans for vehicles	9e 44,000 00
f For bank loans for office equipment	9f
g For bank loans for real property	9g
h For bank loans for other (see instructions)	9h
i Used to refund prior issue(s)	9i
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j
k Other	9k
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box <input checked="" type="checkbox"/>	
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) <input type="checkbox"/>	
12 Vendor's or bank's name: Mercantile Bank of Michigan	
13 Vendor's or bank's employer identification number: 3 8 3 3 6 0 8 6 8	

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.		
	Signature of issuer's authorized representative	Date	
<b>Paid Preparer Use Only</b>	Suzanne M. Olin, City Treasurer		
	Type or print name and title		
	Print/Type preparer's name	Preparer's signature	
	Richard A. Wendt		
	Date	Check <input type="checkbox"/> if self-employed	PTIN
			P01478773
	Firm's name ► Dickinson Wright PLLC	Firm's EIN ► 38-1364333	
	Firm's address ► 200 Ottawa Avenue, N.W., Suite 1000, Grand Rapids, Michigan 49503	Phone no. (616) 458-1300	

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### What's New

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at [www.irs.gov/form8038](http://www.irs.gov/form8038). Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

### Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

### Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

**Filing a separate return for a single issue.** Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

**Filing a consolidated return for multiple issues.** For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

## When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

**Late filing.** An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

## Where To File

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

**Private delivery services.** You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

## Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of \$100,000 or more, use Form 8038-G.

## Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

## Definitions

**Obligations.** This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to

multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

**Tax-exempt obligation.** This is any obligation including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

**Tax-exempt governmental obligation.** A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

**Private activity bond.** This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

**Issue.** Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

**Arbitrage rebate.** Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

**Construction issue.** This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

## Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

## Part I—Reporting Authority

**Amended return.** An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the "Amended Return" box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

**Line 1.** The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

**Line 2.** An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

**Lines 3 and 4.** Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the

street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

**Note.** The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

**Line 5.** This line is for IRS use only. Do not make any entries in this box.

## Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

**Line 8a.** The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

**Line 8b.** For a single issue, enter the date of issue (for example, 03/15/2010 for a single issue issued on March 15, 2010), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2010, enter 01/01/2010).

**Lines 9a through 9h.** Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Do not complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

**Lines 9i and 9j.** For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

**Line 9k.** Enter on line 9k the amount on line 8a that does not represent an obligation described on lines 9a through 9j.

**Line 10.** Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

**Line 11.** Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

**Line 12.** Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

**Line 13.** Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

## Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also print the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

**Note.** If the issuer authorizes in line 6 the IRS to communicate with a person other than an officer or other employee of the issuer, (such authorization shall include contact both in writing regardless of the address entered in lines 3 and 4, and by telephone) by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

## Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* box. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

## Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

**Learning about the law or the form** . . . . . 4 hr., 46 min.  
**Preparing the form** . . . . . 2 hr., 22 min.

**Copying, assembling, and sending the form to the IRS** . . . . . 2 hr., 34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.

**\$44,000**  
**CITY OF LOWELL**  
**KENT COUNTY, MICHIGAN**  
**ACT 99 INSTALLMENT PURCHASE, SERIES 2017**  
**(SKID-STEER LOADER)**

**GENERAL CERTIFICATE OF CITY**

1. We hereby certify that we are the duly elected or appointed, qualified and acting Mayor and City Clerk of the City of Lowell (the "City") and we are the persons charged with the responsibility for entering into an Installment Purchase Agreement dated as of the date hereof (the "Agreement"), by and between the City and Carleton Equipment Bobcat of Grand Rapids (the "Vendor"), and assigned to Mercantile Bank of Michigan (the "Financial Institution").

2. We, the Mayor and City Clerk, certify that we did officially sign the Agreement and that the signatures appearing thereon are our true and genuine signatures.

3. We certify, based on the advice of counsel, that no litigation or administrative action of any nature is now pending, or to our knowledge threatened, in either the state courts of the State of Michigan or the federal courts or any administrative agency or body, or otherwise, for the purpose of restraining or enjoining the issuance and delivery of the Agreement or in any manner questioning, contesting or affecting any authority for, or the validity of, the Agreement or of the proceedings authorizing its execution and delivery including without limitation the adoption by the City Council of a resolution approving and authorizing the execution of the Agreement on April 3, 2017, or the inclusion in the City's budget for each year during the term of the Agreement an amount sufficient to pay when due the principal of and interest coming due under the Agreement; or the City's limited full faith and credit pledge to levy in each fiscal year *ad valorem* taxes in an amount which, together with other funds available for such purpose, will be sufficient for the payments required under the Agreement, subject to existing statutory, constitutional and charter limitations; or directly or indirectly affecting the proceedings or authority by which the Agreement is to be executed and delivered, the legality of the purpose for which the Agreement is executed and delivered, or any of them.

4. We further certify, based on the advice of counsel, the City has (a) full power and authority to execute and deliver the Agreement, (b) undertaken all actions necessary or appropriate to carry out the same, and (c) obtained all approvals required in connection therewith. We further certify, based on the advice of counsel, the Agreement constitutes a valid and binding obligation of the City, enforceable in accordance with its terms.

5. We further certify that the Agreement and any other documents and certificates delivered in connection therewith have been duly authorized by the City, are in full force and effect, are valid, legally binding actions of the City, enforceable in accordance with the terms thereof, and the information contained therein is accurate and correct.

6. We further certify that the persons hereinafter named are or have been, except as indicated, the duly elected, qualified and acting members of the City Council and constitute or have constituted all of the members of said City Council from March 3, 2017, to the date of this certificate:

Michael DeVore, Mayor  
Greg Canfield  
Jim Hodges  
Jeff Phillips  
Alan Teelander

and the following is the name of the duly appointed, qualified and acting City Clerk and City Treasurer who have served in such capacity from March 3, 2017, to the date of this certificate:

Susan Ullery – City Clerk  
Susanne M. Olin – City Treasurer

and all of the foregoing current members of the City Council and officers of the City have been duly qualified for their respective offices.

7. We further certify that neither the existence of the City nor the title of its present councilmembers and officers to their respective offices is being contested; and that no authority or proceeding for the execution and delivery of the Agreement has been annulled, repealed, revoked, rescinded or amended.

8. We further certify that the full amount of the Principal Payments of the Agreement plus the outstanding principal balance of all similar installment purchase contracts including lease purchase contracts and lease with option to purchase obligations to which the City is a party, do not exceed one and one-quarter percent (1.25%) of the equalized assessed value of the real and personal property in the City.

9. We further certify that the useful life of the Skid-Steer Loader extends beyond June 1, 2022, the term of the Agreement.

10. All capitalized terms not defined herein shall have the meaning assigned to them in the Agreement.

Dated: April 21, 2017

Signatures

Title

\_\_\_\_\_  
Michael DeVore

Mayor

\_\_\_\_\_  
Susan Ullery

City Clerk

**\$44,000**  
**CITY OF LOWELL**  
**KENT COUNTY, MICHIGAN**  
**ACT 99 INSTALLMENT PURCHASE, SERIES 2017**  
**(SKID-STEER LOADER)**

**NONARBITRAGE AND TAX COMPLIANCE CERTIFICATE OF CITY**

Pursuant to Section 1.148-2(b)(2) of the Treasury Regulations on Income Tax, the undersigned hereby makes the following certifications with respect to the Act 99 Installment Purchase, Series 2017 (Skid-Steer Loader) in the aggregate principal amount of \$47,000 (the "Installment Purchase"). The City of Lowell, Kent County, Michigan (the "City") has entered into an Installment Purchase Agreement with Clark Equipment Company d/b/a Bobcat Company, West Fargo, North Dakota, to finance the purchase of a S550 T4 Bobcat Skid-Steer Loader (the "Skid-Steer Loader"), which Agreement has been assigned to Mercantile Bank of Michigan, Grand Rapids, Michigan, (the "Financial Institution"). Pursuant to the Agreement, the Financial Institution will pay to the City \$44,000 representing the amount of the Installment Purchase. Execution and delivery of the Agreement is authorized by Act 99 of the Public Acts of Michigan of 1933, as amended (the "Act"), and pursuant to resolution (the "Resolution") adopted April 3, 2017, by the City Council of the City. On the date hereof, the undersigned certifies that the following exist or are reasonably expected to occur:

**1. Due Inquiry.** The undersigned is the City Treasurer of the City and has made due inquiry with respect to and is fully informed as to the matters set forth in this Certificate.

**2. Issue Date.** The Agreement and the assignment thereof are being executed and delivered on the date hereof (the "Issue Date").

**3. Purpose.** The Agreement is authorized, executed and delivered for the purpose of providing funds to be used to finance the costs of purchasing the Skid-Steer Loader and related financing costs.

**4. Amount of Proceeds.**

(a) Pursuant to the Agreement, the City expects to receive from the Financial Institution, the sum of \$44,000 representing the aggregate principal amount of the Installment Purchase (the "Proceeds").

(b) The Proceeds and the investment earnings thereon, if any, will not exceed the amount required for the purposes described in paragraph 3 above.

**5. Use of Proceeds.** The Proceeds received from the Financial Institution at closing will be deposited in the City's general fund for disposition as described in paragraph 6 of this Certificate.



**6. Proceeds.**

(a) The Proceeds received from the Financial Institution and deposited in the City's general fund as described in paragraph 5 above and the investment proceeds thereof, if any, will be used to pay the costs of purchasing the Skid-Steer Loader and related financing costs. The investment earnings, if any, with respect to investments of the Proceeds will be deposited upon receipt in the City's general fund and reinvested until used to pay a portion of financing costs related thereto within one year of receipt. Until expended, the amounts in the City's general fund funded by the Proceeds will be invested without restriction as to yield; *provided, however*, that any amounts remaining in the City's general fund which were funded by the Proceeds after the third anniversary of the Issue Date (or with respect to investment earnings only, the first anniversary of the date of receipt, if later) will be invested at a yield not exceeding the yield on the Installment Purchase by more than 0.125 percentage points.

(b) As of the Issue Date, the City has incurred a substantial binding obligation to a third party to expend at least 5% of the Proceeds of the Installment Purchase on costs of the Skid-Steer Loader.

(c) Purchase of the Skid-Steer Loader is expected to occur on or before June 1, 2017.

(d) At least 85% of the Proceeds will be allocated to expenditures for costs of purchasing the Skid-Steer Loader within 3 years of the Issue Date.

**7. Debt Retirement.** There will not be a fund or account established as a debt service fund or specifically pledged for the repayment of the Installment Purchase. The City has agreed to include the annual debt service in its annual budget and will pay the annual debt service when due directly from the general funds of the City. The City has pledged its limited full faith and credit to repay the Installment Purchase. In the event the City funds or any other funds received by the City are insufficient to pay the annual debt service when due, the City has agreed to levy an *ad valorem* tax on all taxable property in the City, in an amount, when aggregated with the City's available funds, sufficient to pay the annual debt service when due. The levy of such taxes are subject to existing statutory, constitutional and charter tax limitations.

**8. Yield on the Installment Purchase.** The yield on the Installment Purchase is calculated in the manner provided in Treas. Reg. §1.148-4(b). The yield on the Installment Purchase, so calculated, as of the Issue Date, is 1.8016968% per annum.

**9. Replacement Proceeds.**

(a) No funds or accounts will be pledged directly or indirectly to pay the principal of or interest on the Installment Purchase such that there is a reasonable assurance that amounts deposited therein will be available to pay

principal of or interest on the Installment Purchase, even if the City encounters financial difficulties.

(b) The Installment Purchase has a weighted average maturity of 2.72 years, which does not exceed 120% of the average reasonably expected economic life of the Skid-Steer Loader, which is at least 10 years.

(c) The proceeds of the Installment Purchase will not replace any funds of the City invested at a yield materially higher than the yield on the Installment Purchase, since no funds of the City have been designated for the purposes for which the Installment Purchase is issued such that those amounts would have been used for that governmental purpose if the Proceeds were not used or to be used for that governmental purpose.

**10. Minor Portion.** At no time after the Issue Date and prior to the final payment of the Installment Purchase will the City have on hand Proceeds and investment proceeds thereof in an aggregate amount in excess of \$2,350 invested at a yield materially higher than the yield on the Installment Purchase that are not expected within 3 years of the Issue Date (or with respect to investment earnings only, within one year of the date of receipt, if later) to be used to pay the costs of the Skid-Steer Loader.

**11. Rebate of Arbitrage Earnings.** The rebate requirements of Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code") will be satisfied with respect to the Proceeds because the aggregate amount of all tax-exempt obligations (other than private activity bonds) issued by the City and all subordinate entities of the City during the 2017 calendar year is not expected to exceed \$5,000,000.

**12. Qualified Tax-Exempt Obligations.** The City has designated the Installment Purchase as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Code and does not reasonably anticipate issuing (along with any subordinate entities) more than \$10,000,000 of tax-exempt obligations (as identified in such Section) during the 2017 calendar year.

**13. Additional Tax Compliance Representations.**

(a) No more than 10% of the Proceeds will be used directly or indirectly in a trade or business carried on by any person other than a governmental unit (a "private business use"). No more than 5% of the Proceeds will be used for any private business use that is not related to governmental purposes of the City or that, although related to governmental purposes of the City, exceeds the amount of the Proceeds used for governmental purposes of the City other than a related private business use. No more than 5% of the Proceeds will be used directly or indirectly to make or finance loans to persons other than governmental units or loans for purposes other than enabling a borrower to finance any governmental tax or assessment of general application for a specific essential governmental function.

(b) The payment of principal or interest with respect to the Installment Purchase is not guaranteed in whole or in part by the United States or any agency or instrumentality thereof. The Installment Purchase is not issued as part of an issue 5% or more of the proceeds of which is to be used in making loans the payment of principal or interest with respect to which is to be guaranteed in whole or in part by the United States or any agency or instrumentality thereof, or invested directly or indirectly in federally insured deposits or accounts, other than those proceeds invested during applicable temporary periods or as investments in bona fide debt service funds or investments in permissible reserves or in obligations issued by the United States Treasury. The payment of principal or interest on the Installment Purchase is not otherwise indirectly guaranteed in whole or in part by the United States or any agency or instrumentality thereof within the meaning of Section 149(b) of the Code.

(c) The City reasonably expects that at least 85% of the spendable Proceeds will be used to carry out the governmental purpose of the Installment Purchase within the 3-year period beginning on the Issue Date. No more than 50% of the Proceeds will be invested in nonpurpose investments having a substantially guaranteed yield for 4 years or more.

(d) The IRS Form 8038-GC with respect to the Installment Purchase is true, accurate and complete.

#### **14. Matters Relating to Certificate.**

(a) To the best of the knowledge and belief of the undersigned, the expectations of the City as set forth in this Certificate are reasonable.

(b) The City will not directly or indirectly use or permit the use of the Proceeds or any other funds or take or omit to take actions that cause said Proceeds to be considered "arbitrage bonds" within the meaning of Section 148 of the Code, and that would cause the Interest Payments payable under the Agreement not to be excluded from gross income for federal income tax purposes under the provisions of the Code.

(c) It is intended that this Certificate meet the requirements of Section 148 of the Code and Sections 1.148-0 through -11 of the Treasury Regulations on Income Tax, and the terms used herein shall be construed consistently therewith. Paragraph 13 addresses additional matters under the Code in furtherance of the City's tax compliance covenant.

(d) The City will comply with applicable requirements of the Code that must be satisfied subsequent to the execution and delivery of the Agreement in order that the interest payable thereunder be, or continue to be, excluded from gross income for federal income tax purposes under the provisions of the Code.

(e) The Skid-Steer Loader is not expected to be sold or otherwise disposed of by the City during the term of the Agreement.

(f) Capitalized terms used in this Certificate have the meanings specified in this Certificate, the Agreement or the Resolution.

**CITY OF LOWELL**

Dated: April 21, 2017

By: \_\_\_\_\_  
Suzanne M. Olin  
City Treasurer

**\$44,000**  
**CITY OF LOWELL**  
**KENT COUNTY, MICHIGAN**  
**ACT 99 INSTALLMENT PURCHASE, SERIES 2017**  
**(SKID-STEER LOADER)**

**CITY RECEIPT OF FUNDS**

I, the undersigned City Treasurer of the City of Lowell (the "City"), hereby acknowledge receipt from Mercantile Bank of Michigan, Grand Rapids, Michigan (the "Financial Institution") of \$44,000 representing the Financed Purchase Price of the Skid-Steer Loader payable by the Financial Institution to the City pursuant to the provisions of an Installment Purchase Agreement dated as of the date hereof (the "Agreement") between the City and Carleton Equipment Bobcat of Grand Rapids (the "Vendor"), and assigned to the Financial Institution.

All capitalized terms herein shall have the meaning assigned to them in the Agreement.

**CITY OF LOWELL**

Dated: April 21, 2017

\_\_\_\_\_  
Suzanne M. Olin  
City Treasurer

**CITY OF LOWELL  
KENT COUNTY, MICHIGAN**

**RESOLUTION NO. 10-17**

**RESOLUTION APPROVING AND AUTHORIZING  
EXECUTION OF AN INSTALLMENT PURCHASE  
AGREEMENTS PAYMENT AGREEMENT WITH THE  
CITY OF LOWELL DOWNTOWN DEVELOPMENT  
AUTHORITY RELATED TO THE FINANCING OF THE  
COST OF PURCHASING A WHEEL LOADER AND SKID-  
STEER LOADER**

Councilmember \_\_\_\_\_, supported by Councilmember \_\_\_\_\_, moved the adoption of the following resolution:

**WHEREAS**, the City has determined to purchase a 926M Wheel Loader (the “Wheel Loader”) and a S550T4 Bobcat Skid-Steer Loader (the “Skid-Steer Loader”) for use for public purposes; and

**WHEREAS**, the City has further determined to finance the cost of the Wheel Loader and Skid-Steer Loader through five-year installment purchases pursuant to Act 99 of the Public Acts of Michigan of 1933, as amended, and has entered into installment purchase agreements in connection therewith; and

**WHEREAS**, the City and the City of Lowell Downtown Development Authority (the “DDA”) have determined that the Wheel Loader will be utilized 40% of the time and the Skid-Steer Loader will be utilized 25% of the time within the Development Area of the DDA and that the DDA should proportionately share in the cost of financing their acquisition.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. That the Installment Purchase Agreements Payment Agreement (the “Agreement”) between the City and the DDA in the form presented at this meeting is approved.

2. That the Mayor and City Clerk are authorized and directed to execute the Agreement for and on behalf of the City.

3. That all resolutions or parts of resolutions insofar as they conflict with the provisions hereof be and the same hereby are rescinded to the extent of such conflict.

YEAS: Councilmembers \_\_\_\_\_  
\_\_\_\_\_

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

ABSTAIN: Councilmembers \_\_\_\_\_

ABSENT: Councilmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: April 17, 2017

\_\_\_\_\_  
Susan Ullery, City Clerk

**CERTIFICATION**

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council, at a regular meeting held on April 17, 2017, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: April 17, 2017

\_\_\_\_\_  
Susan Ullery, City Clerk



# LOWELL CITY COUNCIL

## MEMORANDUM

**DATE:** April 13, 2017

**TO:** Michael Burns, City Manager MB

**FROM:** Rich LaBombard, DPW Director

**RE:** 2017-2018 Comprehensive Tree Plan

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The City's Arbor Board was presented the 2017-2018 Comprehensive Tree Plan on April 10, 2017. The tree plan is presented to the City Council annually in April and it outlines the proposed Arbor Board activities on city-owned property and within the right-of-way for the upcoming fiscal year. Arbor Board activities include coordinating Arbor Day celebrations, developing spring and fall plantings, tree removal and trimming, watering and general care of trees, shrubs and plants.

With the Comprehensive Tree Plan, the Arbor Board develops a vision for the community's tree canopy, develops a planned approach to executing the vision and achieves the goal of maintaining and improving the City's urban forest canopy. To date, the Arbor Board has authorized the installation of 734 trees of various varieties throughout the community. Funding for these activities comes from the City of Lowell, Lowell Light and Power, the LCTV Fund, the Look Fund, and the Lowell Area Community Fund.



**Arbor Board**  
**Official Comprehensive Tree Plan 2017-2018**  
**Report to the Lowell City Council**

**Introduction:**

An urban forest is a valuable asset to any city. Trees improve the quality of our air and water, reduce our energy costs by providing shade, they reduce noise pollution, increase our property values, and make a neighborhood a more attractive and desirable place to live, work and shop.

Trees have other benefits too, especially in an urban environment. Tree canopies filter and absorb toxic gases including carbon monoxide, nitrogen dioxide and sulfur dioxide. Trees have also been shown to be very effective at trapping fine dusts and toxic particles, the trapped dust being washed to the ground by rain.

If you look out your window and see a tree, do you know what kind of tree it is? Do you know how healthy it is? Do you know how old it is? Does it matter?

Benefits of Community Trees: As architectural elements, trees create interest with their every changing colors and textures. They act as unifiers, pulling together disparate elements in the urban landscape. They serve to soften and smooth (or de-emphasize) harsh angles and lines of individual buildings.

As articulators, trees help to clarify, delineate, and emphasize areas. Because of their natural beauty, trees help to humanize harsh city landscapes by encouraging people to stop, reflect, and relax. Trees modify the urban climate by slowing wind movement, reducing irritating noise levels, controlling glare and reflection from buildings, cooling city streets in summer, and purifying air as they filter out pollutants and add oxygen to the immediate environment.

Properly placed trees can reduce residential heating and cooling costs by an estimated 20 to 50 percent. Trees also have real estate value. According to the U.S. Forest Service, trees increase property values by 10 to 15 percent.

**Roles and Responsibilities:**

The general powers granted to the City of Lowell through its charter define the role of the City Council, the Arbor Board and the City Manager (and staff). Generally, the charter states the following under Section 3.1:

*Providing for the control over all trees, shrubs and plants in the public streets, highways, parks, or other public places in the City, all dead and diseased trees on private property and trees on private property overhanging the street, sidewalk, or public places, including the removal thereof and assessing the cost thereof against the abutting property as a special assessment.*

**City Council:** The City Council has overall responsibility for setting policy and vision and ensuring that activities of the Arbor Board and the City Manager relating to trees support the overall vision and mission. Specifically, the City Council:

- Consents to appointments to the Arbor Board as directed by the Mayor.
- Approves an annual plan submitted to the Council by the Arbor Board.
- Approves a budget that appropriates resources to implement the annual plan and for other tree-related activities.
- Sets fees and special assessment districts for removal and replacement of trees.

**City Arbor Board:** The Arbor Board was organized in 2007 in response to citizens' concerns that action needed to be taken to offset the impact of trees being removed through infrastructure growth and improvements. At the time, the City was lacking an overall policy pertaining to the removal and replacement of trees within the community. With the creation of the Arbor Board, there is greater interaction between citizens and City staff that results in the creation and implementation of a long-term plan.

The duties and responsibilities of the Lowell Arbor Board are defined in Chapter 23 of the Code of Ordinances for the City of Lowell. Specifically, the Arbor Board:

- Shall study, investigate, counsel, and develop, annually update and administer a written plan for the care, preservation, pruning, planting, replanting, removal or disposition of trees and shrubs in public parks, along public streets and roads, within public rights-of-way and within other public areas.
- At the request of the City Council, consider, investigate, make findings, and report and make recommendations on any matter or question within the scope of its work.
- Work with the City Manager and staff to administer the Comprehensive Tree Plan.

**City Manager and Staff:** The City Manager has specific duties outlined in the City Charter relating to trees and carries out these duties with the assistance of qualified staff. Specifically the City Manager must:

- Provide technical assistance to the Arbor Board and ensure that the Comprehensive Tree Plan is implemented.
- Accept application from any person desiring to plant shade or ornamental trees in any public right-of-way and make a determination providing whether or not such trees may be planted.
- Authorize trimming of trees standing in or that may overhang any highways, streets, avenues, or which in any manner obstruct the public lightening of the City.
- Authorize the removal of an existing tree, shrub or other woody plants located in the street right-of-way, a City park, or other city-owned property.
- Authorize the planting and spacing of new trees in accordance with prescribed planting practices. See attached guidelines.

- Ensure that provisions of the City Code of Ordinances relating to noxious shrubs, weeds and grass are enforced.

#### **Comprehensive Tree Plan for the City of Lowell:**

**The Vision Statement:** It is the intent of the Arbor Board to seek input from the community as to the direction and accomplishments to be pursued by the Arbor Board. This can be done through community meetings or on-line surveys utilizing the City website. One significant goal should be for the planting and the continuing maintenance of trees along West Main Street. The preferred plan in to locate trees within the highway right-of-way, placement on private property would be an acceptable alternative. Although the economy has been slow to recover, Lowell is fortunate to have the financial support of our location foundations for our continued support.

**The Plan Area:** For the purposes of defining the plan area, the City of Lowell is divided into several geographical areas. The Flat River will define the East and West boundaries of the City and Main Street will define the northern and southern boundaries. Additionally, we can further define Lowell by designating generic "Downtown Shopping Areas" and "West Main Shopping Areas". If any additional areas are to be defined, they will be outlined by utilizing common street names.

**The Goal(s):** To maintain, at a minimum, and to improve on the Urban Forest Canopy within the City proper. To date, we have not been restrictive in our areas of involvement, placing trees where we found areas of need. This includes residential neighborhoods, City park properties and commercial districts. Recently, significant amounts of trees throughout the community have been devastated by insect infestation, thereby causing the loss of tree cover and inventory. A significant cost will be incurred in the coming year(s) and may curtail some of the planting progress. Fortunately, this is being offset by progress in the past few years.

To date, the Arbor Board has authorized the installation of 734 trees of various varieties throughout the community. Tree selections and tree planting has been accomplished through the use of selected contractors, under the direct supervision of the Department of Public Works.

This has been done with the financial participation from the City of Lowell through Lowell Light and Power, the LCTV Fund, and the Look Fund and the very generous support of the Lowell Area Community Fund. It will be our intent to continue to utilize funds from these various community sources on, at least, an annual basis.

## **FY 2017-2018 Comprehensive Tree Plan**

### **Zone 1 – North / East Side**

- Maintain and trim trees along right-of-way as needed
- Remove dead and dying trees within right-of-way as needed and offer replacement trees to be planted on residential properties as budget permits
- Selected thinning and pruning of pine forest at Scout Park
- Oakwood Cemetery - trim branches - \$600 labor
- Oakwood Cemetery – remove diseased blue spruce - \$300 labor
- Oakwood Cemetery - plant 4 trees total in sections 3 & 4 - \$1200 (trees & installation)
- 825 Lafayette – remove tree, stump grind and provide tree to private property owner - \$1200 (labor, tree & installation)

### **Zone 2 – South / East Side**

- Maintain and trim trees along right-of-way as needed
- Remove dead and dying trees within right-of-way as needed and offer replacement trees to be planted on residential properties as budget permits
- Moose Property - replace dead trees as needed within the green space - \$300 per as needed (tree & installation)
- Fire Department – remove and replace sparse shrubbery within the right-of-way at the Fire Department with a more salt tolerant species - \$3200 (quote from Terra Verde)

### **Zone 3 – Downtown / Riverwalk**

- It is suggested that the Arbor Board make recommendations to the DDA, allowing the DDA to concentrate on development and to provide the Arbor Board with coordinating planting activities throughout the community. It is also intended to coordinate all planting efforts with the Showboat Garden Club to minimize duplication of effort.
- Veterans Parking Lot – remove damaged spruce, stump grind and replace - \$150 (labor) & \$300 (tree & installation)
- Veterans Parking Lot – remove dying Austrian Pines - \$150 (labor) & \$500 (trees & installation)
- Main Street - move 3 aristocrat pears (2 by Christmas tree and 1 by King Milling office) to Fairground and replace with appropriate species - \$1200 (tree & installation)
- Riverwalk Park - new tree in existing planter next to Showboat - \$300 (tree & installation)
- City Hall – Spray flowering pears to reduce production of fruit - \$250 (contractor)
- Avery Street Parking Lot – Remove and replace overgrown arborvitae along the north line of lot - \$1600 (labor, tree and installation)
- Library – Remove and replace overgrown arborvitae screen around dumpster - \$1000 (labor, tree and installation)

#### Zone 4 – West Main Shopping Area

- Main Street – provide trees for private property fronting Main Street right-of-way
- Main Street – trim damaged tree by 207 W. Main Street - \$100 (labor)
- Main Street - trim maple tree at Lowell Historical Museum - \$200 (labor)
- Main and Broadway - landscape S. Broadway parking lot following Broadway project (2018?)

#### Zone 5 – North / West Side

- Creekside Park - continue tree line on north side of park – 8 trees - \$2000 (tree & installation)
- 301 N. West Street - trim box elder tree per complaint - \$400 (labor)

#### Zone 6 – South / West Side

- Clean up brush and thin trees along lake edge for improved fishing and recreation access at Stoney Lake near the boat ramp – \$1000 (labor)
- Stoney Lake Boat Ramp – Remove scrub pine and replace - \$250 (tree & labor)
- Fairground – Install 2 new trees near river to replace fallen trees - \$500 (tree & installation)

#### Implementation Tree Plan for 2017-2018

- Arbor Day Tree donation to Big Boiler - \$300
- Donated Red Bud or Dogwood trees during Arbor Day - \$150 - \$250
- Annual tree maintenance (watering, fertilizing, pruning, leaf clean up) - \$5000

**Projected Budget:** It is anticipated that a budget of \$22,200 will be needed in order to carry out the Implementation Plan for Fiscal Year 2017-2018.

Submitted by the Lowell Arbor Board

Jim Reagan, Chair  
Jim Hodges  
Diane LaWarre  
Melissa Spino  
Perry Beachum

### **Design Tips and Guidelines**

**Spacing:** Many neglect to space their trees properly which leads to overgrown, crowded conditions. This is detrimental to your tree's nutrient intake and overall health.

- For trees which mature greater than 60 feet, plant a minimum 20 feet from a building and 40 feet apart.
- For trees which mature between 30 and 60 feet, plant a minimum 15 feet from a building and 35 feet apart.
- For trees which mature less than 30 feet, plant a minimum 10 feet from a building and 15 feet apart.
- Plant trees no less than 15 feet from a driveway, 10 feet from a utility pole, and 30 feet from an intersection.
- Do not plant trees that grow over 20 feet tall under power lines.