

City Council Meeting

April 6, 2020 6:00 p.m.

By Remote Electronic Participation

Cadillac Municipal Complex 200 N. Lake St. Cadillac, MI 49601



April 6, 2020 City Council Meeting Agenda 6 p.m. by Remote Electronic Participation 200 N. Lake St. – Cadillac, MI 49601

We are all accountable

CALL TO ORDER ROLL CALL

- I. APPROVAL OF AGENDA
- II. PUBLIC COMMENTS

It is requested that comment time be limited to three (3) minutes.

III. CONSENT AGENDA

All items listed on the consent agenda are considered routine and will be enacted by one motion with roll call vote. There will be no separate discussion of these items unless a Council Member so requests it, in which event the items will be removed from the consent agenda and discussed separately.

- A. Minutes from the regular meeting held on March 16, 2020. Support Document III-A
- B. Minutes from the closed session held on March 16, 2020.

IV. CITY MANAGER'S REPORT

- A. COVID-19 Operational Update
- B. Bids and recommendation regarding Plow Truck Chassis. Support Document IV-B
- C. Bids and recommendation regarding Snow Maintenance Equipment. Support Document IV-C

- D. Bids and recommendation regarding Return Activated Sludge Pumps. Support Document IV-D
- E. Bids and recommendation regarding Make-Up Air Unit Replacement. Support Document IV-E
- F. Bids and recommendation regarding Rotary Pavilion Sign Upgrade. Support Document IV-F
- G. Schedule a public hearing for April 20, 2020 to discuss the 2020/2021 Annual Operating Budget.
- H. Schedule a public hearing for April 20, 2020 to consider approval of the Fiscal Year 2021-2026 Capital Improvement Program.

V. ADOPTION OF ORDINANCES AND RESOLUTIONS

- A. Adopt Resolution Approving Michigan Water/Wastewater Agency Response Network Mutual Aid and Assistance Agreement.

 <u>Support Document V-A</u>
- B. Adopt Resolution Authorizing Issuance of Michigan Transportation Fund Bonds, Series 2020.
 Support Document V-B
- C. Adopt Resolution to Approve Financing of Two (2) Wheel Loaders. Support Document V-C
- D. Adopt Resolution Providing for the Continued Basic Operations of the City and Suspending Late Fees and Shut Offs During the State of Emergency. <u>Support Document V-D</u>

VI. PUBLIC COMMENTS

It is requested that comment time be limited to three (3) minutes.

- VII. GOOD OF THE ORDER
- VIII. ADJOURNMENT

Cadillac City Council Agenda

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Core Values (R.I.T.E.)

Respect
Integrity
Trust
Excellence

Guiding Behaviors

We support each other in serving our community
We communicate openly, honestly, respectfully, and directly
We are fully present
We are all accountable
We trust and assume goodness in intentions
We are continuous learners

CITY COUNCIL MEETING MINUTES

March 16, 2020

Cadillac City Hall – 200 N. Lake St. - Cadillac, Michigan 49601

CALL TO ORDER

Mayor Filkins called the City Council meeting to order at approximately 6:00 pm.

PLEDGE OF ALLEGIANCE

ROLL CALL

Council Present: Elenbaas, Schippers, Engels, Mayor Filkins

Council Absent: King

Staff Present: Peccia, Roberts, Ottjepka, Keway, Homier, Wasson

APPROVAL OF AGENDA

2020-037 Approve agenda as amended.

Motion was made by Schippers and supported by Elenbaas to approve the agenda as amended to add Speed Radar Signs to the City Manager's Report and to remove the CWTA Presentation, the Easter Egg Hunt, the Earth Day Celebration, the Restorative Lake Sciences Report, the US Title Series Hydroplane Race, and amend the Pinwheels for Prevention Program request as noted.

Motion unanimously approved.

PUBLIC COMMENTS

Jennifer Brown, CAPS Superintendent, provided an update about what they are doing to support the students, parents, and community during the closure of the schools. She noted they are providing meals to families at the drive-thru line and are delivering meals to those with transportation barriers. She stated they are also distributing learning resources to students.

CONSENT AGENDA

2020-038 Approve consent agenda as presented.

Motion was made by Schippers and supported by Elenbaas to approve the consent agenda as presented.

Motion unanimously approved.

COMMUNICATIONS

A. National Library Week

2020-039 Approve banner for National Library Week.

Motion was made by Schippers and supported by Elenbaas to approve the display of a banner from April 20-27, 2020 for National Library Week.

Motion unanimously approved.

B. Sexual Assault Awareness Month

2020-040 Approve banner for Sexual Assault Awareness Month.

Motion was made by Elenbaas and supported by Schippers to approve the display of a banner from April 6-20, 2020 for Sexual Assault Awareness Month.

Motion unanimously approved.

C. Pinwheels for Prevention

2020-041 Approve Pinwheels for Prevention Program.

Motion was made by Elenbaas and supported by Schippers to approve the request for the Pinwheels for Prevention Program with the changes noted.

Motion unanimously approved.

D. Cadillac Area Symphony Orchestra

2020-042 Approve banner for Cadillac Area Symphony Orchestra.

Motion was made by Schippers and supported by Elenbaas to approve the display of a banner from April 27, 2020 to May 4, 2020 for the Cadillac Area Symphony Orchestra.

Motion unanimously approved.

CITY MANAGER'S REPORT

A. COVID-19 Virus Update

Dr. Joe Santangelo, Pediatrician and Chief Medical Officer for Munson Healthcare Cadillac Hospital, presented a COVID-19 community update.

Kevin Hughes, Health Officer District Health Department #10, noted there is information available on their website at www.dhd10.org.

Peccia stated the City is preparing to close the City Offices to the public beginning March 17, 2020. He noted there will be staff reporting to work to keep key functions operating. He stated City staff will be available to meet with members of the public by appointment. He noted the City has temporarily postponed some inspection services, like the rental inspection program, but if someone is in midst of a building project City staff will still meet with builders and contractors as needed.

Peccia stated there is information on the City's website and on the City's Facebook page regarding contact information and how the public can continue to do business with the City. He noted the date to reopen the City Offices is currently planned for April 6, 2020 but is

^{*} Council Member King joined the meeting at 6:23 pm.

subject to change.

Mayor Filkins asked City Manager Peccia to provide an update on what the Michigan Municipal League (MML) is trying to accomplish regarding the Open Meetings Act (OMA).

Peccia stated there is a legislative push to make some formal changes about holding meetings remotely due to the pandemic. He noted the next regular City Council meeting is scheduled for April 6, 2020. He stated the City is preparing to be able to hold Council meetings remotely.

Mayor Filkins and the other Council Members expressed support for the measures outlined by City Manager Peccia.

Engels asked for clarification regarding the OMA allowing for members of public bodies to participate in meetings remotely.

Peccia stated Governor Whitmer issued an emergency order regarding remote access for public meetings. He noted under the order it was advised that public meetings should not occur unless absolutely necessary. He stated the edict was specifically regarding the operation of state agencies but local municipalities are also following that order in practice as of today. He stated there is conversation occurring about adding language specifically for local units of government.

City Attorney Homier stated there is some confusion regarding the language of the directive that was issued. He noted he is comfortable proceeding under the same directive as the Governor has given to State agencies that will allow participation by telephone conference. He stated the OMA does not prohibit attendance by telephone conference. He added as long as there is a quorum present, other members are permitted to participate remotely. He noted the recent executive directive issued by the Governor states that a quorum can be obtained by way of remote participation.

B. Speed Radar Signs

Peccia stated there have been discussions regarding enhancing the ability to monitor and to allow the public to be more aware of their speed while driving around the community. He noted in response to the concerns expressed, the City has acquired three (3) speed radar signs.

Adam Ottjepka, Director of Public Safety, stated research on the units was conducted by Sergeant Taylor. He noted they are battery operated and have a solar power backup.

Sergeant Lance Taylor stated the units are portable and will be moved around the City as the need dictates. He noted there are currently two (2) units in place, one is located on East Division and the other is located on Mitchell Street. He noted they can be programmed for different speed settings and different messages to gain the attention of drivers. He stated data can be collected from the units, including traffic counts. He went through a number of different displays that are available on the units.

Owen Roberts, Director of Finance stated the cost is approximately \$2,400 per unit.

C. Recommendation regarding 2020-2021 Road Salt.

Peccia stated the cost is anticipated to be approximately \$75 per ton for a total cost of \$150,000. He noted funds area available in the Stores and Garage Fund for this purchase.

2020-043 Approve purchase of seasonal road salt.

Motion was made by Schippers and supported by Elenbaas to authorize the City to participate in the MiDEAL competitive bidding process and approve the commitment to purchase up to 2,000 tons of seasonal road salt through the resulting State of Michigan contract at the unit cost bid approved by the State of Michigan.

Motion unanimously approved.

MINUTES AND REPORTS OF BOARDS AND COMMISSIONS

A. Cadillac-Wexford Airport Authority

PUBLIC COMMENTS

There were no public comments.

GOOD OF THE ORDER

Schippers stated the Mayor's Youth Council meeting scheduled for this week has been cancelled. She noted information regarding future meetings will be available on the Youth Council Facebook page. She encouraged people to uplift each other and to help others during this difficult time.

Elenbaas congratulated the Vikings Basketball Teams and the Bowling Team on their successful seasons.

CLOSED SESSION

Adjourn to closed session to discuss a written confidential legal opinion with the City Attorney.

2020-044 Adjourn to closed session.

Motion was made by Schippers and supported by Elenbaas to adjourn to closed session to discuss a written confidential legal opinion with the City Attorney; invite Adam Ottjepka, Director of Public Safety.

Motion unanimously approved.

2020-045 Return to open session.

Motion was made by King and supported by Elenbaas to return to open session.

Motion unanimously approved.

<u>ADJOURNMENT</u>

Respectfully submitted,

Carla J. Filkins, Mayor

Sandra L. Wasson, City Clerk



Re: Purchase of Two (2) Plow Truck Chassis

The FY2020 Annual Operating Budget and the upcoming proposed FY2021 budget each include an appropriation for the purchase of a single axle plow truck. These purchases will replace the oldest two trucks in the frontline snow maintenance fleet. Once these trucks are received and deployed in the fleet, all five main trucks will be four (4) seasons old or less. Competitive bids were solicited, and the following bids were received:

Vendor	Manufacturer	Bid
Grand Traverse Diesel Traverse City, Michigan	Western Star	\$226,000
JX Truck Center Wyoming, Michigan	Peterbilt	\$237,998

The last three trucks placed in service for Cadillac have been Western Star trucks. Having a uniform fleet provides additional efficiency with maintenance, etc. as it increases familiarity with on manufacturer, as opposed to needing to be familiar with multiple manufacturers. There is a four- to five-month lead time to take delivery of these trucks. Once the trucks are received, it will be another couple of months to install the snow maintenance equipment.

Recommended Action

It is recommended that the purchase of two (2) single axle plow truck chassis be awarded to Grand Traverse Diesel in the amount of \$226,000. Funds are available in the Stores and Garage Fund.

Re: Snow Maintenance Equipment for new trucks

The FY2020 Annual Operating Budget and the upcoming proposed FY2021 budget each include an appropriation for the purchase of a single axle plow truck. The purchase and installation of the snow maintenance equipment is separate from the purchase of the actual truck chassis. Competitive bids were recently sought for the snow maintenance equipment portion of the purchases, and the following bid was received:

Vendor	Bid
Truck and Trailer Specialties Boyne Falls, Michigan	\$155,846

The City will reuse a portion of the equipment from the existing trucks, but the majority of the equipment will be new. This helped mitigate a portion of the costs.

Recommended Action

It is recommended that the purchase and installation of snow maintenance equipment for two (2) single axle plow truck chassis be awarded to Truck and Trailer Specialties in the amount of \$155,846. Funds are available in the Stores and Garage Fund.

Re: Purchase of Return Activated Sludge (RAS) Pumps

The FY2020 budget for the Water and Sewer Fund includes an appropriation of \$30,000 for the replacement of two (2) return activated sludge (RAS) pumps at the Cadillac Wastewater Treatment Plant. The City recently sought competitive bids for these pumps and the following bids were received:

Vendor	Bid
Kennedy Industries Wixom, Michigan	\$ 18,870
Detroit Pump Warren, Michigan	\$ 22,650
JGM Valve Corp Commerce TWP Michigan	\$ 23,722

Recommended Action

It is recommended that the competitive bid for the purchase of two (2) return activated sludge pumps be awarded to Kennedy Industries in the amount of \$18,870. Funds are available in the Water and Sewer Fund.

Re: Make-Up Air Unit Replacement

The FY2020 budget for the Water and Sewer Fund includes an appropriation of \$25,000 for the replacement of the bio area make-up air unit, an important part of the mechanical system at the facility. The City recently sought competitive bids for this replacement and the following bids were received:

Vendor	Bid
Constructors, Incorporated Grand Rapids, Michigan	\$49,995.00
Advance Mechanical & Electrical Service, LLC Leroy, Michigan	\$24,391.49
L.J. Rolls Refrigeration Co. Fenton, Michigan	\$36,150.00

Recommended Action

It is recommended that the purchase and replacement of the make—up air unit at the Cadillac Wastewater Treatment Plant be awarded to Advance Mechanical & Electrical Service, LLC in the amount of \$24,391.49. Funds are available in the Water and Sewer Fund.

Re: Rotary Pavilion Sign Upgrade

The FY2020 Annual Operating Budget includes an appropriation of \$30,000 for the purchase an installation of an electronic message board insert to upgrade the informational sign at the Cadillac Rotary Pavilion. The upgrade will enable the sign messaging to be changed via smartphone or computer and will enhance the messaging capabilities of the sign. Competitive bids were recently sought for this project, and the following bids were received:

Vendor	Bid
Valley City Sign Comstock Park, Michigan	\$19,378
Amor Sign Manistee, Michigan	\$20,742
Universal Sign Boyne Falls, Michigan	\$19,939
United Signs Norcross, Georgia	\$14,900
Pro Image Design, Inc. Traverse City, Michigan	\$15,966
Curb Appeal Concepts, Inc. Boyne Falls, Michigan	\$17,225

The low bidder, United Signs, is from out of state and provided no references for any work done in the State of Michigan. In addition, the second low bidder offered a full five-year warranty on the sign. Local service will be an important part of this project and potential warranty work in the future. As such, Pro Image Design, Inc. is the recommended vendor for the project.

When discussing the project with Pro Image Design, Inc., they recommended that the City explore a higher resolution sign for the project (10mm v. 16mm). This will provide higher resolution images and colors that will greatly enhance the appearance and readability of the messaging. The quote provided for this higher resolution was \$19,992.20. Because of the additional resolution and quality of this upgrade, the 10mm sign is preferred solution for this project. This upgrade is still well within the available budget for the project which is \$30,000.

Recommended Action

It is recommended that the Rotary Pavilion Sign Upgrade projected be awarded to Pro Image Design, Inc. in the amount of \$19,992.20. Funds are available in the General Fund.

City Council

200 North Lake Street Cadillac, Michigan 49601 Phone (231) 775-0181 Fax (231) 775-8755



Mayor Carla J. Filkins

Mayor Pro-Tem Tiyi Schippers

Councilmembers
Bryan Elenbaas
Robert J. Engels
Stephen King

RESOLUTION NO. _____

RESOLUTION APPROVING MICHIGAN WATER/WASTEWATER AGENCY RESPONSE NETWORK MUTUAL AID AND ASSISTANCE AGREEMENT

At a regular meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the day of, 2020, at 6:00 p.m.
PRESENT:
ABSENT:
The following preamble and resolution was offered byand seconded by
WHEREAS, certain Michigan water, wastewater and public works agencies (the
"Members"), including the City of Cadillac, have formed the Michigan Water/Wastewater
Agency Response Network (MIWARM) to share resources and assist each other in the form
of personnel, equipment, materials and supplies in the event of emergencies that disrupt
utility services; and
WHEREAS, these Members wish to enter into a MIWARM Mutual Aid and Assistance
Agreement pursuant to the Urban Cooperation Act of 1967, MCL 124.501 et seq, to describe
the terms and conditions under which emergency assistance may be requested and
provided; and
WHEREAS, the Members submitted a proposed MIWARN Mutual Aid and Assistance

Agreement (the "Agreement" attached as Exhibit A) for the City's review; and

City of Cadillac Resolution No. ____ Page 2 of 2

WHEREAS, the City Council has determined that it is in the best interests of the health, safety and welfare of the City to enter into the Agreement

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

- 1. The Agreement is hereby ratified and approved.
- 2. The City's Director of Utilities is authorized and directed to execute the Agreement on behalf of the City of Cadillac as of March 30, 2020.
- 3. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS:	_
NAYS:	_
STATE OF MICHIGAN)
COUNTY OF WEXFORD)ss)
-	of the City of Cadillac, hereby certify this to be a true and lo, duly adopted at a regular meeting of the City Counc , 2020.
	Sandra Wasson
	Cadillac City Clerk

MICHIGAN WATER/WASTEWATER AGENCY RESPONSE NETWORK

Mutual Aid and Assistance Agreement

RECITALS

WHEREAS, certain Michigan water, wastewater and public works agencies (the "Members"), have formed the "Michigan Water/Wastewater Agency Response Network," (Michigan WARN or MiWARN), to share resources and to assist each other in the form of personnel, equipment, materials and supplies in the event of emergencies that disrupt utility services; and

WHEREAS, the Urban Cooperation Act of 1967, being MCL 124.501 et seq. (the "Act") permits a public bodies and private entities to work together to provide mutual aid and assistance to both public and private water and wastewater utilities in need of emergency assistance caused by natural or man-made disasters.

WHEREAS, the Members have agreed to enter into this "Michigan Water/Wastewater Agency Response Network Mutual Aid and Assistance Agreement," ("Agreement"), to describe the terms and conditions under which emergency assistance may be requested and provided; and

WHEREAS, by executing the Agreement, the Parties express their intent to participate in a program of mutual aid and assistance within the State of Michigan.

NOW, THEREFORE, in consideration of the promises and the mutual undertakings contained in this Agreement, the Members of the Michigan WARN, as agreed upon, and authorized by, their respective legislative authorities mutually agree as follows:

AGREEMENT

This Agreement is made and entered into by public and private Water and Wastewater Utilities and Public Works Agencies that have, by executing this Agreement, manifested their intent to participate in an Intrastate Program for Mutual Aid and Assistance.

ARTICLE I. PURPOSE

The water/wastewater mutual aid program was established to provide a method whereby water/wastewater utilities together with public works agencies sustaining physical damage from natural or manmade disasters may obtain emergency assistance, in the form of personnel, equipment, and materials and other associated services necessary, from other water/wastewater utilities and public works agencies. This Agreement hereby establishes within the State of Michigan an intrastate program for mutual aid and assistance. Through the Michigan WARN Program, Members shall coordinate voluntary response activities and shall share voluntary resources during emergencies and other events, as described in this Agreement.

ARTICLE II. <u>DEFINITIONS</u>

- **A. Agreement** The Michigan Water/Wastewater Agency Response Network Mutual Aid and Assistance Agreement.
- **B.** Authorized Official An employee, agent, or official of a Member who is authorized by the Member's governing board or management to request assistance and/or offer assistance under this agreement.
- **C. Emergency** A natural or manmade event that is, or is likely to be, beyond the control of the available services, personnel, equipment, and facilities of a mutual aid and assistance program member. The request for aid does not require an official declaration of an emergency by the local or state agencies, and the aid may be provided during the emergency response or recovery phases.
- **D.** Member Any public body or political subdivision or private water and/or wastewater utility and/or public works agency or its principals that execute this Agreement.
- **E. Requesting Member** A Member who requests assistance in accordance with the terms and conditions of this Agreement and the mutual aid and assistance program.
- **F. Responding Member -** A Member that responds to a request for assistance under the Mutual Aid and Assistance Program.
- **G. National Incident Management System (NIMS)** A national, standardized approach to incident management and response created by the federal Department of Homeland Security that sets uniform processes and procedures for emergency response operations to prepare for, protect against, respond to and recover from emergency events.
- **H. Period of Assistance -** A specified period of time during which a Responding Member assists a Requesting Member. The period commences when personnel, equipment, or supplies depart from a Responding Member's facility and ends when the resources are returned to its facility (portal to portal). All protections identified in the Agreement apply during this period. The specified Period of Assistance may occur during response to or recovery from an emergency, as previously defined.
- **I. Steering Committee** A committee consisting of representatives from Members and other agencies that may have a role to play in the mutual aid and assistance program (e.g., MIAWWA, APWA-Mi, MDEQ, MWEA, RCAP,

MRWA, WEF, MSPEMHSD, public health, water and wastewater utility organizations), that shall administer the MiWARN program for the State of Michigan.

K. Work or Work Related Period - Any Period of time in which either the personnel or equipment of the Responding Member are being used by the Requesting Member to provide assistance. Specifically included within such period of time are rest breaks when the personnel of the Responding Member will return to active work within a reasonable time. Also, included is mutually agreed-upon rotation of personnel and equipment.

ARTICLE III. ADMINISTRATION

The mutual aid and assistance program shall be administered through Regional Committee and, as needed, a Steering Committee. The purpose of the Regional Committee is to provide local coordination of the mutual aid and assistance program, before, during and after an emergency event. The purpose of a Steering Committee is to provide coordination on a statewide basis of the mutual aid and assistance program before, during and after an emergency. The Steering Committee, under the leadership of an elected Chair, shall meet at least annually to address mutual aid and assistance program issues and to review emergency preparedness and response procedures. Under the leadership of the Chair, the Steering Committee members shall plan and coordinate emergency response planning and response activities for the mutual aid and assistance program.

The Steering Committee, upon being formed and authorized, shall adopt by-laws to govern the administration of the Steering and Regional Committees, and the implementation of this Agreement. The by-laws for the Regional Committees shall be uniform and subject to changes or amendments only by the Steering Committee.

ARTICLE IV. PROCEDURES

The Steering Committee shall develop operational and planning procedures for the MI WARN Program. These procedures shall be reviewed at least annually and updated as needed.

It is the responsibility of each Member to develop its own operational and planning procedures in accordance and consistent with the procedures adopted by the Steering Committee, to identify the critical components of its own infrastructure and its emergency response resources.

ARTICLE V. <u>REQUESTS FOR ASSISTANCE</u>

A. Member Responsibility – Within forty-eight (48) hours after execution of this Agreement, Members shall identify an Authorized Official and alternates; provide contact information, including 24-hour access; and maintain resource information made available for mutual aid and assistance response.

In the event of an Emergency, a Member's Authorized Official may request mutual aid and assistance from a Member. Requests for assistance can be made orally or in writing via the website. When made orally, the request for assistance shall be prepared in writing as soon as practicable after the oral request. Requests for assistance shall be directed to the Authorized Official of a Member. Specific protocols for requesting aid are set forth in the operational and planning procedures referenced in Article IV, above.

- **B.** Response to a Request for Assistance After a Member receives a request for assistance, the Authorized Official shall evaluate whether resources are available to respond to the request for assistance. As soon as possible after completing the evaluation, the Authorize Official shall inform the Requesting Member whether it has the resources to respond. If the Member is willing and able to provide assistance, the Member shall inform the Requesting Member about the type of available resources and the approximate arrival time of such assistance.
- **C.** Discretion of Responding Member's Authorized Official Each Member recognizes and agrees that execution of this Agreement does not create any duty to respond to a request for assistance. When a Member receives a request for assistance, the Authorized Official shall have absolute discretion as to the ability of that Member to respond to a request for assistance. An Authorized Official's decisions on the availability of resources shall be final.

ARTICLE VI. RESPONDING MEMBER PERSONNEL

A. National Incident Management System (NIMS) - When providing assistance under this Agreement, the Requesting Member and Responding Member shall be organized and shall function under NIMS.

NIMS provides a consistent nationwide approach that allows federal, state, local and tribal governments as well as private sector and nongovernmental organizations to work together to manage incidents and disasters of all kinds. To be eligible for federal emergency management assistance, water and wastewater mutual aid and assistance programs must meet NIMS standards for emergency preparedness and response.

- **B.** Control Personnel sent by a Responding Member shall remain under the direct supervision and control of the Responding Member. The Requesting Member's Authorized Official shall coordinate response activities with the designated supervisor(s) of the Responding Members(s). Whenever practical, Responding Member's personnel must be self-sufficient for up to 72 hours.
- **C. Food and Shelter -** The Requesting Member shall supply reasonable food and shelter for the Responding Member's personnel. If the Requesting Member fails to provide food and shelter for Responding Member's personnel, the Responding Member's designated supervisor is authorized to secure the resources necessary to meet the needs of its personnel. The cost for such resources must not exceed the per diem rates established

by the State of Michigan for that area. The Requesting Member remains responsible for reimbursing Responding Member for all costs associated with providing food and shelter, if such resources are not provided.

- **D.** Communication The Requesting Member shall provide Responding Member's personnel with radio equipment as available, or radio frequency information to facilitate communications with local responders and utility personnel.
- **E. Status -** Unless otherwise provided by law, the Responding Member's officers and employees retain the same privileges, immunities, rights, duties and benefits as provided in their respective jurisdictions.
- **F.** Licenses & Permits To the extent permitted by law, the Responding Member's personnel who hold licenses, certifications or permits issued by the State of Michigan evidencing professional, mechanical or other skills and when such assistance is sought by the Requesting Member, shall be allowed to carry out activities and tasks relevant to their respective credentials during the specified Period of Assistance.
- **G. Right to Withdraw -** The Responding Member's Authorized Official retains the right to withdraw some or all of its resources at any time. Notice of intention to withdraw must be communicated to the Requesting Member's Authorized Official as soon as possible. Notice of withdrawal can be made orally or in writing and is within the complete discretion of the Responding Member. When made orally, the notice of withdrawal shall be prepared and submitted in writing as soon as practicable after the oral notice.
- **H. No Waiver of Governmental Immunity** All of the privileges and immunities from liability, and exemptions from laws, ordinances and rules which apply to the activity of officers, agents and employees of public bodies, including, but not limited to counties, cities, townships, and villages, shall apply to the same degree and extent to the performance of such functions and duties of Members extraterritorially under the provision of this Agreement. No provision of this Agreement is intended to, nor shall any provision of the Agreement be construed as a waiver by any governmental entity, its agents, employees or officials, of any governmental immunity as provided by Public Act 170 of 1964, the "Governmental Immunity Act," as set forth in MCL 691. 1401, et seq.
- **I. Independent Contractor** The Members agree that at all times and for all purposes under the terms of this Agreement each Member's relationship to any other Member shall be that of an independent contractor. No liability, right or benefit arising out of any employer/employee relationship, either express or implied, shall arise or accrue to any Member as a result of this Agreement. Personnel dispatched to aid a Member are entitled to receive benefits and/or compensation to which they are otherwise entitled under the Michigan Workers' Disability Compensation Act of 1969, any pension law, or any act of Congress.

Members, as independent contractors are not authorized to enter into or sign any agreements on behalf of other Members or to make any representations to third parties that are binding upon other Members.

- **J. Liability.** Each Member will be solely responsible for the acts of its own employees, agents, and subcontractors, the costs associated with those acts and the defense of those acts. The Members shall not be responsible for any liability or costs associated with those acts and the defense of those acts for Members outside of their political jurisdictions. It is agreed that none of the Members shall be liable for failure to respond for any reason to any request for assistance or for leaving the scene of an Emergency with proper notice after responding to a Request for Assistance.
- **K. Insurance.** Each Member shall be responsible for insuring its activities as they relate to MiWARN. MiWARN may choose to require each Member to provide Certificates of Insurance or Self-Insurance demonstrating the Member's proper coverage and limits. In the event any Member has a lapse in proper insurance coverage, as determined by the Steering Committee, the Member may be suspended from participation in MiWARN.
- **L. Confidential Information**. To the extent permitted by law, Members shall maintain the strictest confidence and shall take all reasonable steps necessary to prevent the disclosure of any confidential information relating to the ongoing security measures of a public body, capabilities and plans for responding to a violation of the Michigan antiterrorism act, chapter LXXXIII-A of the Michigan penal code, 1931 PA 328, MCL 750.543a to 750.543z, emergency response plans, risk planning documents, threat assessments, and domestic preparedness strategies, including but not limited to confidential information relating to the plans, specifications and location of water and wastewater facilities provided to it by another Member pursuant to this Agreement. If any Member or third party requests or demands by subpoena or otherwise, that Member shall immediately notify the owner of the confidential information and shall take all reasonable steps necessary to prevent the disclosure of any confidential information by asserting all applicable rights and privileges with respect to such information and shall cooperate fully in any judicial or administrative proceeding related thereto.

ARTICLE VII. COST REIMBURSEMENT

Unless otherwise mutually agreed in whole or in part, the Requesting Member shall reimburse the Responding Member for each of the following categories of costs incurred while providing aid and assistance during the specified Period of Assistance.

A. Personnel - Responding Member's personnel are to be paid for work completed during a specified Period of Assistance according to the terms provided in their employment contracts or other conditions of employment. The Responding Member's designated supervisor(s) must keep accurate records of work performed by personnel during the specified Period of Assistance. Re-questing Member reimbursement to the Responding

Member must consider all personnel costs, including salaries or hourly wages, costs for fringe benefits, and indirect but necessary costs.

- **B. Equipment -** The Requesting Member shall reimburse the Responding Member for the use of equipment during a specified Period of Assistance. At a minimum, rates for equipment use must be based on the FEMA Schedule of Equipment Rates. If a Responding Member uses rates different from those in the FEMA Schedule of Equipment Rates, The Responding Member must provide such rates in writing to the Requesting Member's Authorized Official prior to supplying resources. Mutual agreement on which rates are used must be reached in writing prior to dispatch of the equipment. Reimbursement for equipment not referenced on the FEMA Schedule of Equipment Rates must be developed based on actual recovery of costs. In the event the Responding Member's equipment is damaged during the Period of Recovery that is not caused by carelessness, negligence or operator error on the part of the Responding Member, the Requesting Member shall reimburse the Responding Member for the repair or replacement of the damaged equipment. Damage must be reasonably attributed to the specific response and taking into consideration normal wear and tear.
- C. Materials and Supplies The Responding Member shall be reimbursed for all materials and supplies furnished by it and used or damaged during the Period of Assistance, unless such damage is caused by negligence of the Responding Member or their utility personnel. The Requesting Member must reimburse the Responding Member in kind or at actual replacement cost, plus handling charges, for use of expendable or non-returnable supplies. Handling charges shall be as set forth in the by-laws or resolution of the Steering Committee. The Responding Member must not charge direct fees or rental charges to the Requesting Member for other supplies and reusable items that are returned as soon as practicable to the Responding Member in clean, damage-free condition. Reusable supplies that are returned to the Responding Member with damage must be treated as expendable supplies for the purposes of cost reimbursement. Requesting Members shall be given the option of providing the supplies need or used by the Responding Member.
- **D. Incidental Costs -** Other reasonably related incidental costs that are accrued by the Responding Member during the specified Period of Assistance shall be paid by the Requesting Member. Incidental costs include travel costs to deploy personnel to the Requesting Member's location, shipping costs to transport equipment, etc.
- **E. Payment Period -** The Responding Member must provide an itemized bill to the Requesting Member, listing the services provided, the dates services were provided, and the amount of payment due for all expenses it

incurred as a result of providing assistance under this Agreement. The Responding Member shall send the itemized bill not later than ninety (90) days following the end of the Period of Assistance. The requesting Member must pay the bill in full on or before the sixtieth (60th) day following the billing date. The Requesting Member shall return any invalid or incomplete invoice to the Responding Member within thirty (30) days after the Requesting Member receives the invoice. An explanation will accompany the invoice that states the reason for the return and any information needed to correct the invoice. Unpaid bills become delinquent upon the sixty-first (61st) day following the billing date unless alternate payment agreement between parties can be reached. Once a bill is determined to be delinquent, it shall accrue interest at the rate of prime plus two percent (2%) per annum as reported by the Wall Street Journal.

F. Disputed Billings - Those undisputed portions of a bill shall be paid under the payment plan specified above. Only the disputed portions should be sent to arbitration under Article VIII.

ARTICLE VIII. <u>DISPUTE RESOLUTION</u>

If any controversy or claim arises out of or relates to the Agreement, including but not limited to an alleged breach of the Agreement, the disputing Member may agree in writing, if authorized by the Member's governing body, to arbitration of the matter in accordance with the rules of the American Arbitration Association. This provision does not waive any right of any party to file the claim in appropriate court having jurisdiction.

ARTICLE IX. <u>SIGNATORY INDEMNIFICATION</u>

In the event of a liability, claim demand, action or proceeding of whatever kind or nature arising out of a specified event of Assistance, the Requesting and Responding Members who receive and provide assistance shall indemnify and hold harmless those non-responding Members whose involvement in the transaction or occurrence that is the subject of such claim, demand, or other proceeding is limited to execution of this Agreement.

In the event of a claim for property damage or bodily injury by a non-party hereto, arising from an event of assistance neither the Responding Member nor the Requesting Member will be deemed to indemnify, defend or hold harmless the other from any act or omission of the other Member's officers, employees, agents, contractors or volunteers acting under this Agreement.

ARTICLE X. WORKER'S COMPENSATION CLAIMS

Each Member is responsible for providing worker's compensation benefits and administering worker's compensation for its own personnel as it would in the normal course of business.

ARTICLE XI. NOTICE

A Member who becomes aware of a claim or suit that in any way, directly or indirectly contingently or otherwise, affects or might affect other Members of this Agreement shall provide prompt and timely notice to the Members who may be affected by the suit or claim. Each Member reserves the right to participate in the defense of such claims or suits as necessary to protect its own interests.

ARTICLE XII. <u>EFFECTIVE DATE</u>

This Agreement shall be effective on the date of full execution of the Agreement. The date of full execution of this Agreement shall be the last date on which this agreement has been signed by a party to this Agreement. The Steering Committee shall maintain a list of all Members.

ARTICLE XIII. DURATION, WITHDRAWAL, AND TERMINATION OF AGREEMENT

- A. **Duration**. This Agreement shall commence on the Effective Date and continues until terminated in accordance with Section C, below.
- B. Withdrawal by a Member. Any Member may withdraw, at any time, from this Agreement for any reason, or for no reason at all, upon seven (7) days written notice to the Steering Committee. The withdrawal of any Member shall not terminate or have any effect upon the provisions of this Agreement so long as MiWARN remains composed of at least two (2) Members.
- C. **Termination.** The MiWARN shall continue until terminated by the first to occur of the following:
 - (a) MiWARN consists of less than two (2) Members; or
 - (b) A unanimous vote of termination by the total membership of MiWARN.

ARTICLE XIV. MODIFICATION

No provision in this Agreement may be modified, altered, or rescinded by individual parties to the Agreement. Modification to this Agreement may be due to programmatic operational changes to support the Agreement. Modifications require a simple majority vote of Members. The Chair of the Steering Committee must provide written notice to all Members of approved modifications to this Agreement. Approved modifications take effect 60 days after the date upon which notice is sent to the Members.

ARTICLE XV. <u>ASSIGNMENT OF RIGHTS/DUTIES</u>

Assignments of benefits and delegations of duties created by this Agreement are prohibited and must be without effect.

ARTICLE XVI. PRIOR AGREEMENTS

Nothing within this Agreement shall prohibit a Member from participating in other mutual aid agreements and this Agreement shall not supersede prior Agreements between Members unless the prior Agreement is terminated.

ARTICLE XVII. PROHIBITION ON THIRD PARTIES AND ASSIGNMENT OF RIGHTS/DUTIES

This Agreement is for the sole benefit of the Members and no person or entity may have any rights under this Agreement as a third-Member beneficiary. Assignments of benefits and delegations of duties created by this Agreement are prohibited and must be without effect. Any Member may be removed from participation in this Mutual Aid Agreement by majority vote of the Members of the applicable Regional Committee, or Steering Committee, with adequate notice and a right to be heard at a regular or special meeting.

ARTICLE XVIII. INTRASTATE & INTERSTATE MUTUAL AID AND ASSISTANCE PROGRAMS

To the extent practicable, Members of MiWARN shall participate in Mutual Aid and Assistance activities conducted under the State of Michigan Intrastate Mutual Aid and Assistance Program and Interstate Emergency Management Assistance Compact (EMAC). Members may voluntarily agree to participate in an interstate Mutual Aid and Assistance Program for water and wastewater utilities and public works agencies through this Agreement if such a Program were established.

ARTICLE XIX. RECORDS, DOCUMENTS AND SENSITIVE INFORMATION

All records, documents, writings or other information produced or used by the parties to this Agreement, which, under the laws of the State of Michigan, are classified as public or privileged, will be treated as such by the other parties to this Agreement. The parties to this Agreement shall not use any information, systems or records made available to them for any purpose other than to fulfill their contractual duties specified in this Agreement. Both Requesting and Responding Members acknowledge that they will have access to sensitive information of others that may be considered sensitive or protected under the laws of the State of Michigan. If a Member receives a request to provide information of another Member or a third party, the Member receiving such request shall notify the other Member and they shall jointly agree upon what documentation is to be released, subject to applicable laws, ordinances and regulations.

ARTICLE XX. <u>MISCELLANEOUS</u>

- A. This Agreement sets forth the entire agreement between the parties. The language of this Agreement shall be construed as a whole according to its fair meaning and not construed strictly for or against any Member. The parties have taken all actions and secured all approvals necessary to authorize and complete this Agreement.
- B. **Severability of Provisions**. If a Court of competent jurisdiction finds any provision of this Agreement invalid or unenforceable, then that provision shall be deemed severed from this Agreement. The remainder of this Agreement shall remain in full force.
- C. Governing Law/Consent to Jurisdiction and Venue. This Agreement is made and entered into in the State of Michigan and shall in all respects be interpreted, enforced and governed under the laws of the State of Michigan.
- D. **Captions.** The captions, headings, and titles in this Agreement are intended for the convenience of the reader and not intended to have any substantive meaning and are not to be interpreted as part of this Agreement.
- E. **Terminology**. All terms and words used in this Agreement, regardless of the numbers or gender in which they are used, are deemed to include any other number and any other gender as the context may require.
- F. **Recitals.** The Recitals shall be considered an integral part of this Agreement.
- G. **Amendment.** The Agreement may be amended or an alternative form of the Agreement adopted only upon written agreement and approval of the governing bodies of all parties, except an amendment to remove a Member shall not require agreement or approval of the governing body of the Member being removed. Upon an Amendment to this Agreement being adopted, a copy, certified by the secretary of the Steering Committee, shall be furnished to all Members.
- H. **Compliance with Law**. MiWARN shall comply with all federal and State laws, rules, regulations, and orders applicable to this Agreement.
- I. **No Third Party Beneficiaries**. Except as expressly provided herein, this Agreement does not create, by implication or otherwise, any direct or indirect obligation, duty, promise, benefit, right of indemnification (i.e., contractual, legal, equitable, or by implication) right of subrogation as to any party's rights in this Agreement, or any other right of any kind in favor of any individual or legal entity
- J. **Counterpart Signatures.** This Agreement may be signed in counterpart. The counterparts taken together shall constitute one (1) agreement.

- K. **Permits and Licenses.** Each Member shall be responsible for obtaining and maintaining, throughout the term of this Agreement, all licenses, permits, certificates, and governmental authorizations for its employees/and/or agents necessary to perform all its obligations under this Agreement. Upon request, a Member shall furnish copies of any permit, license, certificate or governmental authorization to the requesting Member.
- L. **No Implied Waiver**. Absent a written waiver, no fact, failure, or delay by a party to pursue or enforce any rights or remedies under this Agreement shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Agreement. No waiver of any term, condition, or provision of this Agreement, whether by conduct or otherwise, in one or more instances shall be deemed or construed as a continuing waiver of any term, condition, or provision of this Agreement. No waiver by any party shall subsequently affect its right to require strict performance of this Agreement.

the participating utilities listed here, as	n of the covenants and obligations contained here is a Participating Member duly executes this ment this day of, 2014.	in,
Water/Wastewater Utility or Public W	orks Agency Authorized Official(s):	
By:	By:	
Title:	Title:	
Name of Participating Member:		

(**Please note:** Attach a copy of your MiWARN resolution to this document when you submit it. Thank You.

CITY OF CADILLAC COUNCIL Resolution No.: ____

RESOLUTION AUTHORIZING ISSUANCE OF MICHIGAN TRANSPORTATION FUND BONDS, SERIES 2020 (CITY OF CADILLAC, WEXFORD COUNTY)

At a 1	meeting of the City Council of the City of	f Cadillac, W	'exford County, Michigan,
held at the Ci	ty Hall in the City on	_, 2020, at	p.m.
PRESENT:	Members		
ABSENT:	Members		
The fo	ollowing resolution was offered by Member	•	and supported
by Member _	:		
WHE	REAS pursuant to Act No. 175 of the Mic	chigan Public	Acts of 1052 as amended

WHEREAS, pursuant to Act No. 175 of the Michigan Public Acts of 1952, as amended ("Act 175"), Act No. 34 of the Michigan Public Acts of 2001, as amended ("Act 34") to the extent applicable, and Act No. 51 of the Michigan Public Acts of 1951, as amended ("Act 51"), the City of Cadillac, County of Wexford, State of Michigan ("City"), has the authority to issue bonds to pay the costs of certain capital improvements for major and local street systems and related improvements;

WHEREAS, the City desires to preserve, design, construct, reconstruct, pave, repave, acquire, extend and repair major and local street systems in the City, and conduct all work necessary or incidental to those systems, including street lighting (including around the Cadillac Lofts project) (collectively, "*Improvements*"), as authorized by Act 51; and

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

WHEREAS, to finance the cost of making the Improvements, the City Council deems it necessary to borrow the sum of not to exceed \$4,500,000 and to issue its bonds therefor as authorized by Act 175; and

WHEREAS, revenues received by the City from the Michigan Transportation Fund pursuant to Act 51 during the fiscal year next preceding this contemplated borrowing are more than sufficient to comply with all requirements specified in Section 4 of Act 175 and by the issuance of these bonds, the City does not pledge for annual debt service an amount, together with any other borrowing for which Michigan Transportation Fund monies are pledged, in excess of 50% of the revenues received during the fiscal year next preceding.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

- 1. <u>NECESSITY</u>. It is necessary for the public health, safety, and welfare of the City to make the Improvements and issue bonds of the City, pursuant to Act 175 and Act 51, to finance the Improvements.
- 2. <u>ESTIMATED COST PERIOD OF USEFULNESS</u>. The total cost of the Improvements, including the payment of legal, engineering, financial and other permitted expenses incident to the financing of the Improvements, which is estimated to not exceed \$4,500,000, is hereby approved and confirmed. The estimated useful life of the Improvements is determined to be in excess of 15 years.
- 3. <u>ISSUANCE OF BONDS</u>. To defray the cost of the Improvements, including legal, engineering, financial and other permitted expenses, the City shall issue its bonds known as the Michigan Transportation Fund Bonds, Series 2020 (the "*Bonds*") in the aggregate principal amount of not to exceed \$4,500,000, as finally determined by the Authorized Officer

(defined below) in an order signed by the Authorized Officer. The balance of the cost of the Improvements, if any, shall be paid by grants or funds appropriated by the City.

- 4. BOND TERMS. The Bonds shall be issued in fully registered form as to both principal and interest, in minimum denominations of \$5,000 each, or any multiple of \$5,000 above that amount, or such other denominations determined by the Authorized Officer at the time of sale ("Authorized Denominations"). The Bonds shall be numbered consecutively in the order of authentication, shall be dated the date of delivery or such other date approved by the Authorized Officer at the time of sale, and shall be payable serially or as term bonds as determined by the Authorized Officer at the time of sale. Principal of the Bonds shall be payable in semiannual or annual installments, and be first payable on such date, as determined by the Authorized Officer at the time of sale, provided that the final maturity shall be no later than thirty (30) years after the date of issuance of the Bonds. The Bonds shall bear interest at a rate or rates not exceeding an average net interest rate of 6.0% per annum (or the maximum permitted under Act 34, whichever is less) as determined by the Authorized Officer at the time of sale, payable semiannually, commencing on such date as determined by the Authorized Officer at the time of sale. The Authorized Officer may alter the bond terms within the parameters of this Resolution as hereafter provided.
- 5. <u>APPROPRIATION OF TRANSPORTATION FUNDS</u>. For the purpose of providing monies to pay the principal of and interest on the Bonds, and in accordance with the provisions of Act 175, the City hereby makes an irrevocable appropriation of an amount sufficient to pay the principal of and interest on the Bonds from the monies to be derived from State-collected taxes returned to the City for highway purposes, pursuant to law. The Director of Finance for the City is directed, during each year that any of the principal or interest on the

Bonds herein authorized remains outstanding and unpaid to set aside in a fund, to be designated MICHIGAN TRANSPORTATION FUND BONDS, SERIES 2020, BOND PAYMENT FUND (the "Bond Payment Fund"), sufficient monies from revenues received during each such year from the Michigan Transportation Fund, pursuant to law, to pay the principal of and interest on the Bonds next maturing.

- 6. PAYMENT OF PRINCIPAL AND INTEREST. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America to the person appearing on the Bond registration books as the registered owner thereof. Payment of interest on the Bonds shall be paid to the registered owner at the address as it appears on the registration books as of the determination date. Initially, the determination date shall be the date as of the fifteenth (15th) day of the month prior to the payment date for each interest payment; however, the determination date may be changed by the City to conform to market practice.
- 7. PLEDGE OF LIMITED TAX, FULL FAITH AND CREDIT, GENERAL OBLIGATION. Pursuant to the authorization of Act 175 and as additional security for the prompt payment of the principal and interest on the Bonds, the City irrevocably pledges its limited tax, full faith and credit, general obligation for the prompt payment of the principal of and interest on the Bonds as and when due. If there are insufficient moneys for the payment of principal of and interest on the Bonds, the City shall levy a tax on all taxable property in the City for the prompt payment of principal and interest on the Bonds, which tax shall be limited as to rate and amount by applicable constitutional, statutory and charter limitations on the taxing power of the City.

8. PRIOR REDEMPTION.

- (a) <u>Mandatory Redemption</u>. Principal designated as a term bond maturity (if any) shall be subject to mandatory redemption, in whole or in part, by lot, at par plus accrued interest, on the redemption dates and in the amounts determined by the Authorized Officer at the time of sale. When term bonds are purchased by the City and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term bonds affected shall be reduced by the principal amount of the Bonds so purchased and canceled or redeemed in the order determined by the City.
- (b) <u>Optional Redemption</u>. The Bonds shall be subject to redemption prior to maturity as determined by the Authorized Officer at the time of sale.
- Notice of Redemption. Subject to the final sentence of this paragraph (c), notice of redemption of Bonds shall be given by mail to the Registered Owners of the Bonds to be redeemed not less than thirty (30) days prior to the date fixed for redemption, addressed to the Registered Owner at the registered address shown on the registration books of the City maintained by the Paying Agent (defined below). Bonds called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the Paying Agent to redeem the same. Notwithstanding anything to the contrary above, no notice of mandatory redemption is required to be given at any time when (i) the outstanding Bonds consist of a single bond that expressly sets forth all of the mandatory redemption dates and the principal amounts subject to mandatory redemption on those dates and (ii) the registered owner of that bond is a bank or financial institution. So long as the book-entry-only system remains in effect, the Paying Agent will give notice to Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"), and only Cede & Co. will be deemed to be a holder of the Bonds.

9. PAYING AGENT AND REGISTRATION.

- (a) Appointment of Paying Agent. The initial paying agent, transfer agent and bond registrar for the Bonds (the "Paying Agent") shall be appointed by the Authorized Officer at the time of sale. From time to time, the Authorized Officer is authorized to remove the Paying Agent and appoint a successor Paying Agent and, also, in the event of the resignation of the Paying Agent, to designate and appoint a successor Paying Agent. In the event of a change in the Paying Agent, notice shall be given in writing, by certified mail, to each Registered Owner not less than sixty (60) days prior to the next interest payment date. The Paying Agent shall keep the official books for the recordation of the Registered Owners of the Bonds.
- (b) <u>Book-Entry-Only</u>. The Bonds may be issued initially in the book-entry-only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for DTC. If this option is selected, DTC will act as securities depository for the Bonds, purchase of the Bonds will be made in book-entry-only form, in Authorized Denominations or any integral multiple thereof, and purchasers will not receive certificates representing their interest in Bonds purchased. Payment of principal and interest will be made by the Paying Agent to DTC. While the Bonds are held in book-entry-only form, then the Bonds shall be transferred in accordance with the procedures established by DTC. So long as the Bonds are registered to DTC or another bond depository, the Paying Agent or bond registrar shall have no responsibility with respect to such transfers. The Authorized Officer shall have the authority from time to time to appoint a successor depository trustee to serve in the place of DTC. While the Bonds are issued in book-entry-only form the Paying Agent shall serve as paying agent only.

- (c) Registration and Transfer Outside of Book-Entry-Only. In the event the book-entry-only system is not selected or is discontinued, the following provisions would apply to the Bonds. Bonds may be transferred only by submitting the same to the Paying Agent, together with a satisfactory instrument of transfer signed by the Registered Owner or his/her legal representative duly authorized in writing, after which a new Bond or Bonds shall be issued by the Paying Agent to the transferee (new registered owner) in Authorized Denominations or any integral multiple thereof, in the same aggregate principal amount as the Bond submitted for transfer. No transfer of Bonds shall be valid unless and until recorded on the bond registration books in accordance with the foregoing. The person in whose name any Bond is registered may for all purposes, notwithstanding any notice to the contrary, be deemed and treated by the City and the Paying Agent as the absolute owner thereof, and any payment of principal and interest on any Bond to the Registered Owner thereof shall constitute a valid discharge of the City's liability upon such Bond to the extent of such payment. No Bond shall be transferred less than fifteen (15) days prior to an interest payment date nor after the Bond has been called for redemption. So long as the Bonds are registered to DTC or another bond depository, the Paying Agent, acting as bond registrar, shall have no responsibility with respect to such transfers.
- 10. <u>BOND FORM</u>. The Bonds shall be generally in the form attached hereto as **Exhibit A**, adjusted for serial bonds, if issued, and incorporated herein, with such changes as are recommended by the City's Bond Counsel and approved by the officers of the City signing the Bonds, whose signature thereon shall be conclusive evidence of such approval.
- 11. <u>EXECUTION AND AUTHENTICATION OF BONDS</u>. Any two of the Mayor, the City Clerk or the City Manager are hereby authorized and directed to sign the Bonds, either manually or by facsimile signature, on behalf of the City. The Bonds shall be authenticated by

the Paying Agent and shall not be effective until so authenticated. Upon execution and authentication, the Bonds shall be delivered to the purchaser upon receipt of the purchase price.

- mutilated, the City, at the expense of the holder of the Bond, shall execute, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this Resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the Paying Agent and, if this evidence is satisfactory to both the City and the Paying Agent and indemnity satisfactory to the Paying Agent shall be given, the City, at the expense of the owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like tenor, which shall bear the statement required by Act No. 354, Public Acts of Michigan, 1972, as amended, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same without surrender thereof.
- BOND PAYMENT FUND. For payment of principal of and interest on the Bonds, there shall be established and maintained a debt service fund for the Bonds (the "Bond Payment Fund"). The accrued interest, if any, and capitalized interest, if any, received at the time of delivery of the Bonds shall be placed into the Bond Payment Fund. The City shall budget annually a sufficient amount to pay the annual principal of and interest on the Bonds and deposit such amount in the Bond Payment Fund as needed to make payments of principal and interest as they become due; and the City shall cause sufficient amounts in the Bond Payment Fund to be available to the Paying Agent at such times as needed to enable the Paying Agent to

make payments of principal of and interest on the Bonds as they become due. Moneys in the Bond Payment Fund shall be expended solely for payment of principal and interest on the Bonds that first come due. Any moneys (other than for capitalized interest, if any) that remain in the Bond Payment Fund after the annual payments of principal of and interest on the Bonds shall be transferred to the General Fund and shall no longer be pledged hereunder.

- established a Construction Fund (the "Construction Fund"). After deducting the sums, if any, that are required to be deposited in the Bond Payment Fund, the balance of the proceeds of the Bonds shall be deposited into the Construction Fund. The moneys on deposit in the Construction Fund from time to time shall be used solely for the purpose for which the Bonds were issued. Any unexpended balance shall be used for such purposes as allowed by law. Any moneys remaining in the Construction Fund after payment of all such costs shall be transferred to the Bond Payment Fund. After completion of the Improvements and disposition of any remaining Bond proceeds, pursuant to the provisions of this Section, the Construction Fund shall be closed.
- 15. <u>INVESTMENT OF FUNDS</u>. Moneys in the funds and accounts established herein may be invested by the City as allowed by law subject to the limitations imposed by arbitrage regulations and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").
- 16. <u>DEPOSITORY AND FUNDS ON HAND</u>. Moneys in the several funds and accounts maintained pursuant to this Resolution may be kept in one or more accounts at financial institutions designated by resolution of the City, and if kept in one account, the moneys shall be allocated on the books and records of the City in the manner and at the times provided in this Resolution.

- 17. <u>ADDITIONAL BONDS</u>. In accordance with the provisions of Act 175, the City reserves the right to issue additional bonds of equal standing and priority with the Bonds.
- 18. <u>CONTRACT WITH BONDHOLDERS</u>. The provisions of this Resolution shall constitute a contract between the City and the holder or holders of the Bonds from time to time and after the issuance of any of the Bonds, no change, variation or alteration of the provisions of this Resolution may be made that would lessen the security for the Bonds. The provisions of this Resolution shall be enforceable by appropriate proceedings taken by such holder or holders, either at law or in equity.
- 19. <u>SALE OF BONDS</u>. The Authorized Officer is authorized and directed: (a) to consult with the City's municipal advisor regarding what method of sale of the Bonds is expected to be in the best interests of the City and provides the most favorable economic benefit to the City; and (b) with advice from such municipal advisor, to determine the method by which the Bonds shall be sold (e.g., private placement, competitive public sale, negotiated public offering or otherwise as permitted by law).
- 20. <u>AUTHORIZED OFFICER</u>. Notwithstanding any other provision of this Resolution, the City Manager or the City Mayor, or either one of them acting alone (the "Authorized Officer"), are authorized within the limitations of this Resolution to determine the title of the Bonds, the interest rate or rates (not to exceed the maximum average net interest rate of 6% per annum), amount of discount (not to exceed 2%) or premium, amount of maturities, principal amount (not to exceed the maximum principal amount stated in this Resolution), amount of good faith deposit, if any, denominations, dates of issuance, dates of maturities (with the final maturity no later than 30 years after the date of issuance of the Bonds), interest payment dates, optional and mandatory redemption rights, and term bond options. The Authorized

Officer is also authorized to agree to such fees as may be included in the proposal of the purchaser.

The Authorized Officer is hereby authorized for and on behalf of the City, without further City Council approval, to: (a) approve the circulation of a preliminary and a final Official Statement describing the Bonds; (b) negotiate, approve and accept the terms of the commitment letter or other offer to purchase the Bonds from, and complete the sale of the Bonds to, a financial institution selected by the Authorized Officer; or to award the bid for the sale of the Bonds if the Bonds are sold at a public sale; (c) negotiate, arrange for and purchase municipal bond insurance on the Bonds, if deemed to provide an economic benefit to the transaction, as additional security for the bondholders; (d) apply to rating agencies for a rating on the Bonds; (e) determine whether the Bonds will be issued initially in book-entry-only form as one fully registered bond per maturity and be registered in the name of Cede & Co., as bondholder and nominee for the Depository Trust Company, New York, New York ("DTC"), with DTC acting as securities depository for the Bonds; (f) hire such professionals as the Authorized Officer determines may be required for the sale of the Bonds including without limitation a placement agent or underwriter; and (g) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds.

Approval by the City of the matters delegated in this section or any other sections may be evidenced by execution or approval of such documents by the Authorized Officer. The Authorized Officer, together with the City Director of Finance, or any one or more of them, are authorized to execute any documents or certificates necessary to complete the transaction, including without limitation any applications, including applications to the Michigan Department of Treasury and any applications for waivers the Authorized Officer determines to be necessary,

including the submission of any supporting or related documents, any certificates, receipts, orders, agreements, instruments, and any certificates relating to federal or state securities laws, rules or regulations.

- 21. QUALIFIED TAX-EXEMPT OBLIGATION. The City reasonably anticipates that the amount of qualified tax-exempt obligations that will be issued by the City and all subordinate entities during the calendar year 2020 shall not exceed \$10,000,000. The City hereby designates the Bonds, in their total principal amount, as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code.
- DEFEASANCE. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, shall be deposited in trust, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.
- 23. <u>TAX COVENANT</u>. The City covenants to comply with all requirements of the Code necessary to assure that the interest on the Bonds will be and will remain excludable from gross income for federal income tax purposes.
- 24. <u>PUBLICATION</u>. This Resolution shall be published once in full in a daily or weekly newspaper of general circulation in the City.

- 25. <u>CONTINUING DISCLOSURE</u>. If the Bonds are sold at a public sale, the Authorized Officer is authorized to execute an agreement on behalf of the City to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (a) on or prior to the last day of the seventh month after the end of the fiscal year of the City, commencing with the first fiscal year ending after the issuance of the Bonds, certain annual financial information and operating data, including audited financial statements for the preceding fiscal year (or if audited financial statements are not available, unaudited financial statements), generally consistent with certain information that was contained or cross-referenced in the Official Statement relating to the Bonds, (b) timely notice of the occurrence of certain material events with respect to the Bonds, and (c) timely notice of a failure by the City to provide the required annual financial information on or before the date specified in (a) above.
- 26. <u>BOND COUNSEL</u>. The firm of Foster, Swift, Collins & Smith, P.C. is hereby affirmed as bond counsel to the City for the issuance of the Bonds.
- 27. <u>MUNICIPAL ADVISOR</u>. The firm of Robert W. Baird & Co. Incorporated is hereby affirmed as municipal advisor to the City for the issuance of the Bonds.
- 28. <u>RESOLUTION SUBJECT TO MICHIGAN LAW</u>. The provisions of this Resolution are subject to the laws of the State of Michigan.
- 29. <u>SECTION HEADINGS</u>. The section headings in this Resolution are furnished for convenience of reference only and shall not be considered to be a part of this Resolution.
- 30. <u>SEVERABILITY</u>. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

31.	<u>CONFLICT</u> . Except as provided above, all resolutions or parts thereof, i	nsofar as
the same may	y be in conflict herewith, are hereby repealed; provided, that the foregoing	shall not
operate to rep	epeal any provision thereof, the repeal of which would impair the obligation	on on the
Bonds.		
32.	EFFECTIVE DATE OF RESOLUTION. This Resolution is determined	ed by the
City Council	to be immediately necessary for the preservation of the peace, health and	safety of
the City and s	shall be in full force and effect from and after its passage.	
YEAS:	Members	
NAYS:	Members	
ABSENT:	Members	
	Sandra Wasson, City Clerk City of Cadillac	
STATE OF M	· · · · · · · · · · · · · · · · · · ·	
COUNTY OF) ss F WEXFORD)	
Wexford Coucomplete copy the original of	ndra Wasson, the duly qualified and acting City Clerk of the City of bunty, Michigan (the "City") do hereby certify that the foregoing is a by of a resolution adopted by the City Council at a meeting held on of which is on file in my office. Public notice of the meeting was given puliance with Act No. 267, Public Acts of Michigan, 1976, as amended.	true and
	VITNESS WHEREOF, I have hereunto affixed my signature this, 2020.	_ day of
	Sandra Wasson, City Clerk	

Exhibit A

UNITED STATES OF AMERICA STATE OF MICHIGAN COUNTY OF WEXFORD

CITY OF CADILLAC

MICHIGAN TRASNPORTATION FUND BONDS, SERIES 2020 (This Bond is not a General Obligation of the State of Michigan)

Interest Rate

Maturity Date

Date of Original Issue

CUSIP

Registered Owner:

Principal Amount:

The City of Cadillac, County of Wexford, State of Michigan (the "Issuer"),

acknowledges itself indebted and, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on _______, and semiannually thereafter on the first day of ______ and ______ of each year, except as the provisions hereinafter set forth with respect to redemption of this Bond prior to maturity may become applicable hereto.

This Bond is one of a total authorized issue of bonds of even date and like tenor except as

This Bond is one of a total authorized issue of bonds of even date and like tenor except as to date of maturity, amount and rate of interest, numbered in order of registration, aggregating the principal sum of \$______ (the "Bonds"), issued in accordance with the provisions of Act No. 175, Public Acts of Michigan of 1952, as amended, Act No. 34, Public Acts of Michigan of 2001, as amended, Act No. 51, Public Acts of Michigan of 1951, as amended, and a Resolution adopted by the City Council of the Issuer on ______, 2020 (the "Resolution"), for the purpose of paying all or a portion of the costs to preserve, design, construct, reconstruct, pave, repave, acquire, extend and repair major and local street systems in the City, and conduct all work

necessary and incidental to those systems, including street lighting (collectively, "Improvements").

This Bond and the interest thereon are payable primarily from the proceeds of the State-collected taxes returned to the Issuer for road purposes pursuant to law, and the resolution authorizing the issuance and sale of this Bond contains an irrevocable appropriation of the amount necessary to pay the principal of and interest on this Bond, and the series of Bonds of which this is one, from monies derived from such State-collected taxes so returned to the Issuer for street purposes that have not been heretofore specifically allocated and pledged for the payment of indebtedness. As additional security, the limited tax full faith and credit of the Issuer is pledged for the payment of this Bond, and the Issuer has pledged that it shall pay the principal of and interest on this Bond as it matures as a first budget obligation from its general fund and, after taking into account funds which the Issuer may have legally available for payment of principal of and interest on this Bond, shall levy annually ad valorem taxes on all taxable property in the Issuer's boundaries sufficient to pay the principal and interest on this Bond subject to constitutional, statutory and charter limitations on the taxing power of the Issuer. The Issuer reserves the right to issue additional bonds in accordance with the provisions of Act 175 that shall be of equal standing and priority with the Bonds.

[Bonds maturing on or before _____1, ____, shall not be subject to redemption prior to maturity. Bonds maturing on or after _____1, ____, are subject to redemption prior to maturity as a whole or in part, at the option of the Issuer, in such order as the Issuer shall determine, on any dates, on or after _____1, ____. Bonds called for redemption shall be redeemed at the par value thereof plus accrued interest to the date of redemption, without a premium.]

or which are redeemed in a manner other than by mandatory redemption, shall reduce the principal amount of the Term Bonds subject to mandatory redemption by the amount of the

Bonds so redeemed, in the order determined by the Issuer.]

Notice of the call of any Bonds for redemption shall be given by first class mail not less than thirty (30) days prior to the date fixed for redemption, to the Registered Owner at the

registered address. Bonds called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the Paying Agent to redeem such Bonds. Bonds shall be called for redemption in multiples of \$5,000, and Bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the Bond by \$5,000, and such Bonds may be redeemed in part. The notice of redemption of Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed, a new Bond or Bonds in aggregate principal amount equal to the unredeemed portion of the Bond surrendered shall be issued to the Registered Owner thereof. So long as the book entry-only system remains in effect, the Paying Agent will give notice to Cede & Co., as the nominee of The Depository Trust Company, a New York corporation, only, and only Cede & Co. will be deemed to be a holder of the Bonds.

This Bond shall be registered in the name of the Registered Owner on the registration books kept by the Paying Agent and such registration noted hereon and thereafter no transfer shall be valid unless made upon the registration books and likewise noted hereon. This Bond is exchangeable at the request of the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the office of the Paying Agent, but only in the manner, subject to the limitations and at his sole expense, for other bonds of an equal aggregate amount, upon surrender of this Bond to the Paying Agent. Upon such transfer, a new registered bond or bonds of the same series and the same maturity of authorized denomination will be issued to the transferee in exchange therefor.

The Issuer has designated the Bonds of this series as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

It is hereby certified and recited that all acts, conditions and things required by law, precedent to and in the issuance of this Bond, exist and have been done and performed in regular and due time and form as required by law and that the total indebtedness of the Issuer including this Bond, does not exceed any charter, constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Cadillac, County of Wexford, State of, Michigan, by its City Council, has caused this Bond to be signed, by the manual or facsimile signatures of its Mayor and City Clerk, all as of , 2020.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE TO FOLLOW]

CITY OF CADILLAC County of Wexford	
State of Michigan	
Carla J. Filkins, Mayor	
Sandra Wasson, City Clerk	

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

	y of Cadillac \$ Michigan Transportation Fundamental States of the Registered Owner designated of	
the face thereof in the bond register		
	As Paying Agent/Bond Registrar/Transfer Agent	
	By:	
Authentication Date:	Authorized Signatory	

WRONGFUL USE OF CERTIFICATE

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("*DTC*"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

ASSIGNMENT

]	For value received, the undersigned hereby sells, assigns and transfers unto
the with	print or type social security number or taxpayer identification number and name and address of transferee) nin bond and all rights thereunder, and does hereby irrevocably constitute and appoint attorney to transfer the within bond on the books kept stration thereof, with full power of substitution in the premises.
Dated:	Signed:
In the p	resence of:
Notice:	The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of his authority to act must accompany the bond.
_	re(s) must be guaranteed by an eligible guarantor institution participating in a Securities r Association recognized signature guaranty program.
Signatu	re Guaranteed:

26499:00005:4729020-1

Council Communication

RE: 2020 Wheel Loader Recommendation

On February 25, 2020, the City held a bid opening for the purchase or lease of a new wheel loader for the Department of Public Works. This loader is a critical component of the City's snow removal operations. The following bids were received:

Dealer	Year/ Brand	Purchase	5-Year Lease (Annual)	Trade-In Value
Alta Equipment Traverse City, Michigan	2019 Volvo	\$168,155	\$11,020	\$28,000
AIS Construction Williamsburg, Michigan	2020 John Deere	\$186,500	\$17,174	\$32,000
Michigan Cat (Option 1) Kalkaska, Michigan	2018 Caterpillar	\$190,134	\$29,806	\$27,000
Michigan Cat (Option 2) Kalkaska, Michigan	2019 Caterpillar	\$203,416	\$29,116	\$27,000
Ellens Equipment McBain, Michigan	2019 Doosan	\$168,578	\$17,000	\$48,900
Ina Store Ina, Michigan	2020 Case	\$173,105	N/A	\$40,000

The original plan was to purchase the current leased 2015 Volvo loader for \$110,000. The loader is in good condition but is just beginning to show some signs of needed repairs. In addition, the City's other frontline loader is a 2006 Case that has been taken out of service due to several needed maintenance issues. Once this took place, the need for a decision on two loaders and not just one was very evident.

Volvo has offered the department a five-year premier warranty on both units. The typical cost of this warranty is \$4,500. However, the company is offering this warranty on both units for the cost of one warranty. This means the City will not be faced with significant repair costs on either unit for the entire term of the lease.

Recommendation

Based on the factors above, it is recommended that City Council adopt the resolution to approve a five-year lease for two wheel loader(s) from Alta Equipment of Traverse City, MI, with financing through KS State Bank of Manhattan, KS in the amount of \$34,500 per year and authorize the mayor and City Clerk to execute the lease documents. Funds are available in the Stores and Garage Fund.

EXHIBIT D

OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of March 26, 2020, between KS StateBank (Obligee) and City of Cadillac, Michigan (Obligor)

	a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on the following olution was introduced and adopted:
BE	T RESOLVED by the Governing Body of Obligor as follows:
l.	Determination of Need. The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of March 26, 2020, between City of Cadillac, Michigan (Obligor) and KS StateBank (Obligee).
2.	Approval and Authorization. The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract.
	Authorized Individual(s):
	(Typed or Printed Name and Title of individual(s) authorized to execute the Contract)
3 .	Adoption of Resolution. The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.
Si	gnature: (Signature of Secretary, Board Chairman or other member of the Governing Body)
P	rinted Name & Title:
	(Printed Name and Title of individual who signed directly above)
A	ttested By:
	(Signature of one additional person who can witness the passage of this Resolution)
P	rinted Name & Title:
	(Printed Name of individual who signed directly above)

DOCUMENTATION INSTRUCTIONS

The instructions listed below should be followed when completing the enclosed documentation. <u>Please sign in blue ink and print on single sided paper only.</u> Documentation completed improperly will delay funding. If you have any questions regarding the Conditions to Funding, instructions or the documentation, please call us at (877) 587-4054.

I. Attached Documentation

1. Government Obligation Contract

An authorized individual that is with the Obligor should sign on the first space provided. <u>All original signatures are required for funding.</u>

2. Exhibit A – Description of Equipment

- Review equipment description. Complete serial number/VIN if applicable.
- List the location where the equipment will be located after delivery/installation.

3. Exhibit B – Payment Schedule

Sign and print name and title

4. Exhibit C - Certificate of Acceptance

Sign and print name and title

5. Exhibit D - Obligor Resolution

- Type in the date of the meeting in which the purchase was approved.
- Print or type the name and title of the individual(s) who is authorized to execute the Contract.
- The secretary, chairman or other authorized board member of the Obligor must sign the Resolution where indicated..
- A second authorized individual that is with the Obligor should attest the Resolution where indicated.

Exhibit E - ACT 99 Certificate

Sign and print name and title

7. Exhibit F - Bank Qualified Certificate

Sign and print name and title

8. Insurance Requirements

Complete insurance company contact information where indicated.

9. Debit Authorization - (Preferred)

♦ Complete form and attach a voided check

10. 8038G IRS Form

- Please read 8038 Review Form
- ♦ In Box 2, type Employer Identification Number
- Sign and print name and title

II. Additional Documentation Required

- 1. First payment check as stated on attached invoice
- Insurance certificate as stated on the Insurance Requirements Form
- Vendor Invoice for the amount to finance listing applicable SN/VIN, down payment, trade, etc.
- 4. Front and back copies of MSO or title listing "KS StateBank AOIA" as first lien holder

III. Condition to Funding

If, for any reason: (i) the required documentation is not returned by July 26, 2020, is incomplete, or has unresolved issues relating thereto, or (ii) on, or prior to the return of the documentation, there is a change of circumstance, including but not limited to changes in the federal corporate income tax rate or reducing/capping the tax-exempt interest benefit, which adversely affects the expectations, rights or security of the Obligee or its assignees; then Obligee or its assignees reserve the right to withdraw/void its offer to fund this transaction in its entirety. Neither KS StateBank nor Baystone Government Finance is acting as an advisor to the municipal entity/obligated person and neither owes a fiduciary duty pursuant to Section 15B of the Exchange Act of 1934.

All documentation should be returned to:

KS StateBank 2627 KFB Plaza, Suite 202E Manhattan, Kansas 66503

GOVERNMENT OBLIGATION CONTRACT

Obligor

City of Cadillac, Michigan 200 North Lake Street Cadillac, Michigan 49601 Obligee

KS StateBank 1010 Westloop; P.O. Box 69 Manhattan, Kansas 66505-0069

Dated as of March 26, 2020

This Government Obligation Contract dated as of the date listed above is between Obligee and Obligor listed directly above. Obligee desires to finance the purchase of the Equipment described in Exhibit A to Obligor and Obligor desires to have Obligee finance the purchase of the Equipment subject to the terms and conditions of this Contract which are set forth below.

Definition

Section 1.01 Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Additional Schedule" refers to the proper execution of additional schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by the Obligee all of which relate to the financing of additional Equipment.

"Budget Year" means the Obligor's fiscal year.

"Commencement Date" is the date when Obligor's obligation to pay Contract Payments begins.

"Contract" means this Government Obligation Contract and all Exhibits attached hereto, all addenda, modifications, schedules, refinancings, guarantees and all documents relied upon by Obligee prior to execution of this Contract.

"Contract Payments" means the payments Obligor is required to make under this Contract as set forth on Exhibit B.

"Contract Term" means the Original Term and all Renewal Terms.

"Exhibit" includes the Exhibits attached hereto, and any "Additional Schedule", whether now existing or subsequently created.

"Equipment" means all of the items of Equipment listed on Exhibit A and any Additional Schedule, whether now existing or subsequently created, and all replacements, restorations, modifications and improvements.

"Government" as used in the title hereof means a State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended ("Code"), or a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.

"Obligee" means the entity originally listed above as Obligee or any of its assignees.

"Obligor" means the entity listed above as Obligor and which is financing the Equipment through Obligee under the provisions of this Contract.

"Original Term" means the period from the Commencement Date until the end of the Budget Year of Obligor.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Obligor's Budget Year and each succeeding Budget Year for the number of Budget Years necessary to comprise the Contract Term.

"State" means the state which Obligor is located.

II. Obligor Warranties

Section 2.01 Obligor represents, warrants and covenants as follows for the benefit of Obligee or its assignees:

- (a) Obligor is an "issuer of tax exempt obligations" because Obligor is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code") or because Obligor is a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.
- (b) Obligor has complied with any requirement for a referendum and/or competitive bidding.
- (c) Obligor has complied with all statutory laws and regulations that may be applicable to the execution of this Contract; Obligor, and its officer executing this Contract, are authorized under the Constitution and laws of the State to enter into this Contract and have used and followed all proper procedures of its governing body in executing and delivering this Contract. The officer of Obligor executing this Contract has the authority to execute and deliver this Contract. This Contract constitutes a legal, valid, binding and enforceable obligation of the Obligor in accordance with its terms.
- (d) Obligor shall use the Equipment only for essential, traditional government purposes.
- (e) Should the IRS disallow the tax-exempt status of the interest portion of the Contract Payments as a result of the failure of the Obligor to use the Equipment for governmental purposes, or should the Obligor cease to be an issuer of tax exempt obligations, or should the obligation of Obligor created under this Contract cease to be a tax exempt obligation for any reason, then Obligor shall be required to pay additional sums to the Obligee or its assignees so as to bring the after tax yield on this Contract to the same level as the Obligee or its assignees would attain if the transaction continued to be tax-exempt.
- (f) In the event that the Internal Revenue Code of 1986, as currently amended (the "Code"), should be further amended or replaced: (i) to reduce corporate and/or individual income tax rates or (ii) to reduce or eliminate the extent to which the interest portion of the Contract Payments is excludable from gross income, then, at the written request of Obligee or its assigns, Obligor shall pay to Obligee or its assigns with each Contract Payment payable after the effective date of such amendment or replacement such additional amount as necessary to bring the after tax yield on each such Contract Payment to the same effective rate that Obligee or its assigns would have received had there occurred no such amendment to or replacement of the Code. Notwithstanding any other provision of this Agreement, Obligor shall have the right to exercise its option to purchase the Equipment pursuant to Section 3.04 hereof on the effective date of any such amendment or replacement.
- (g) Obligor will submit to the Secretary of the Treasury an information reporting statement as required by the Code.
- (h) Upon request by Obligee, Obligor will provide Obligee with current financial statements, reports, budgets or other relevant fiscal information.
- (j) Obligor shall retain the Equipment free of any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. as amended and supplemented.
- i) Obligor hereby warrants the General Fund of the Obligor is the primary source of funds or a backup source of funds from which the Contract Payments will be made.
- (k) Obligor presently intends to continue this Contract for the Original Term and all Renewal Terms as set forth on Exhibit B hereto. The official of Obligor responsible for budget preparation will include in the budget request for each Budget Year the Contract Payments to become due in such Budget Year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Contract Payments coming due therein. Obligor reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.
- (I) Obligor has selected both the Equipment and the vendor(s) from whom the Equipment is to be purchased upon its own judgment and without reliance on any manufacturer, merchant, vendor or distributor, or agent thereof, of such equipment to the public.
- (m) Obligor owns the Equipment and any additional collateral free and clear of any liens, and Obligor has not and will not, during the Contract Term, create, permit, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipmentor any additional collateral except those created by this Contract.
- (n) The outstanding balance of all purchases authorized under Act 99 of 1933, exclusive of interest, shall not exceed 1-1/4% of the taxable value of the real and personal property in the municipality as of the date of this Contract. If requested by Obligee, the finance officer of the Obligor will provide the statistical information to show that this obligation is within the 1-1/4% limitation.
- (o) The Equipment financed hereunder has a useful life in excess of the term of this Contract.
- (p) The Obligor hereby agrees to include in its budget for each year commencing with the current Budget Year, a sum which will be sufficient to pay the principal and interest due as set forth on Exhibit B of this Contract. In addition, the Obligor hereby pledges to levy ad valorem taxes on all taxable property in the Obligor each year in an amount necessary to make its debt service payments under this Contract, subject to applicable constitutional, statutory and charter tax rate limitations.
- (q) If Obligor defaults in its obligations under this Contract and Obligee receives judgment against Obligor, Obligor will be obligated to pay such judgment in full.

Section 2.02 Escrow Agreement. In the event both Obligee and Obligor mutually agree to utilize an Escrow Account, then immediately following the execution and delivery of this Contract, Obligee and Obligor agree to execute and deliver and to cause Escrow Agent to execute and deliver the Escrow Agreement. This Contract shall take effect only upon execution and delivery of the Escrow Agreement by the parties thereto. Obligee shall deposit or cause to be deposited with the Escrow Agent for credit to the Equipment Acquisition Fund the sum of N/A, which shall be held, invested and disbursed in accordance with the Escrow Agreement.

III. Acquisition of Equipment, Contract Payments and the Purchase Option Price

Section 3.01 Acquisition and Acceptance. Obligor shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. Execution of the Certificate of Acceptance or, alternatively, Payment Request and Equipment Acceptance Form, by a duly authorized representative of Obligor, shall constitute acceptance of the Equipment on behalf of the Obligor.

Section 3.02 Contract Payments. Obligor shall pay Contract Payments exclusively to Obligee or its assignees in lawful, legally available money of the United States of America. The Contract Payments shall be sent to the location specified by the Obligee or its assignees. The Contract Payments, payable without notice or demand, are due as set forth on Exhibit B. Obligee shall have the option to charge interest at the highest lawful rate on any Contract Payment received later than the due date for the number of days that the Contract Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days that the Contract Payment(s) were late. Obligee shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Contract Payment that is past due. Furthermore, Obligor agrees to pay any fees associated with the use of a payment system other than check, wire transfer, or ACH. Once all amounts due Obligee hereunder have been received, Obligee will release any and all of its rights, title and interest in the Equipment.

SECTION 3.03 CONTRACT PAYMENTS UNCONDITIONAL. THE OBLIGATIONS OF OBLIGOR TO MAKE CONTRACT PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS CONTRACT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF, OR SUBJECT TO DEFENSE OR COUNTERCLAIM.

Section 3.04 Purchase Option Price. Upon thirty (30) days written notice, Obligor shall have the option to pay, in addition to the Contract Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Obligor on the Contract Payment date and no partial prepayments are allowed. If Obligor chooses this option and pays the Purchase Option Price to Obligee then Obligee will transfer any and all of its rights, title and interest in the Equipment to Obligor.

Section 3.05 Contract Term. The Contract Term shall be the Original Term and all Renewal Terms until all the Contract Payments are paid as set forth on Exhibit B except as provided under Section 9.01 below.

Section 3.06 Disclaimer of Warranties. OBLIGEE MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. OBLIGEE IS NOT A MANUFACTURER, SELLER, VENDOR OR DISTRIBUTOR, OR AGENT THEREOF, OF SUCH EQUIPMENT; NOR IS OBLIGEE A MERCHANT OR IN THE BUSINESS OF DISTRIBUTING SUCH EQUIPMENT TO THE PUBLIC. OBLIGEE SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY OBLIGOR.

Section 3.07 Contract with Vendor. Obligee hereby recognizes that Obligor has executed or will be executing a "Sales Contract" with the vendor for the actual sale of the Equipment. This Sales Contract provides, among other things, standard warranty protections to Obligor with regard to the Equipment. Obligee further recognizes and hereby acknowledges that nothing in this Contract shall impair the rights of the Obligor against the manufacturer for any warranty, or other obligations express or implied that the Obligor may have with the Equipment.

IV. Obligation

Section 4.01 Obligation. The Obligor to pay principal and interest under this Contract is a limited general obligation of the Obligor shall include in its budget and pay each year, until this Contract is paid in full, such sums as may be necessary each year to make all Contract Payments due hereunder. Furthermore, the Obligor covenants that it shall comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to delivery of this Contract in order that the interest thereon to be excluded from gross income for federal tax purposes.

V. Insurance, Damage, Insufficiency of Proceeds

Section 5.01 Insurance. Under Michigan Law and pursuant to the Resolution of the Obligor, the Obligor is fully responsible as the owner of the Equipment to make sure that it is insured for both property and liability. Obligor agrees to provide proof of such insurance to Obligee in the form satisfactory to Obligee. If the Obligor chooses to obtain insurance through a private insurer, the Obligor shall be solely responsible for selecting the insurer(s) and for making all premium payments. Obligor also hereby acknowledges that in the event of a casualty to the Equipment that the Obligor is still fully obligated to make all the scheduled Contract Payments to Obligee or to pay off the applicable Purchase Option Price to Obligee. If requested by Obligee, Obligor will list Obligee as loss payee and additional insured if any policies are obtained through a private insurer.

- (a) Obligor shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Obligee in an amount at least equal to the then applicable Purchase Option Price of the Equipment. Alternatively, Obligor may insure the Equipment under a blanket insurance policy or policies.
- b) The liability insurance shall insure Obligee from liability and property damage in any form and amount satisfactory to Obligee.
- (c) Obligor may self-insure against the casualty risks and liability risks described above. If Obligor chooses this option, Obligor must furnish Obligee with a certificate and/or other documents which evidences such coverage.
- (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Obligee and its assignees are named additional insureds and loss payees and that all losses are payable to Obliger and Obligee or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Obligee or its assignees. Obligor shall furnish to Obligee certificates evidencing such coverage throughout the Contract Term.

Section 5.02 Damage to or Destruction of Equipment. Obligor assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Obligor will immediately report all such losses to all possible insurers and take the proper procedures to obtain all insurance proceeds. At the option of Obligoe, Obligor shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

Section 5.03 Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Obligor shall, at the option of Obligee, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Obligee.

Section 5.04 Obligor Negligence. Obligor assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Obligor or of third parties, and whether such property damage be to Obligor's property or the property of others (including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any State or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by Obligor), which is proximately caused by the negligent conduct of Obligor, its officers, employees and agents.

Section 5.05 Reimbursement. Obligor hereby assumes responsibility for and agrees to reimburse Obligee for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Obligee that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Obligor, its officers, employees and agents, or arose out of installation, operation, possession, storage or use of any item of the Equipment, to the maximum extent permitted by law.

VI. Title and Security Interest

Section 6.01 Title. Title to the Equipment shall vest in Obligor when Obligor acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Obligee in the event Obligor defaults under Section 9.01. In such event, Obligor shall execute and deliver to Obligee such documents as Obligee may request to evidence the passage of legal title to the Equipment to Obligee.

<u>Section 6.02 Security Interest.</u> To secure the payment of all Obligor's obligations under this Contract, as well as all other obligations, debts and liabilities, plus interest thereon, whether now existing or subsequently created, Obligor hereby grants to Obligee a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit A. Furthermore, Obligor agrees that any other collateral securing any other obligation(s) to Obligee, whether offered prior to or subsequent hereto, also secures this obligation. The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Obligor authorizes Obligee to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the security interest created hereunder. Obligor agrees that any Equipment listed on Exhibit A is and will remain personal property and will not be considered a fixture even if attached to real property.

VII. Assignment

Section 7.01 Assignment by Obligee. All of Obligee's rights, title and/or interest in and to this Contract may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Obligee at any time without the consent of Obligor. No such assignment shall be effective as against Obligor until the assignor shall have filed with Obligor written notice of assignment identifying the assignee. Obligor shall pay all Contract Payments due hereunder relating to such Equipment to or at the direction of Obligee or the assignee named in the notice of assignment. Obligor shall keep a complete and accurate record of all such assignments.

<u>Section 7.02</u> <u>Assignment by Obligor</u>. None of Obligor's right, title and interest under this Contract and in the Equipment may be assigned by Obligor unless Obligee approves of such assignment in writing before such assignment occurs and only after Obligor first obtains an opinion from nationally recognized counsel stating that such assignment will not jeopardize the tax-exempt status of the obligation.

VIII. Maintenance of Equipment

Section 8.01 Equipment. Obligor shall keep the Equipment in good repair and working order, and as required by manufacturer's and warranty specifications. If Equipment consists of copiers, Obligor is required to enter into a copier maintenance/service agreement. Obligee shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Obligor will be liable for all damage to the Equipment, other than normal wear and tear, caused by Obligor, its employees or its agents. Obligor shall pay for and obtain all permits, licenses and taxes related to the ownership, installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicle(s), then Obligor is responsible for obtaining such title(s) from the State and also for ensuring that Obligee is listed as First Lienholder on all of the title(s). Obligor shall not use the Equipment to haul, convey or transport hazardous waste as defined in the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. Obligor agrees that Obligee or its Assignee may execute any additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Obligor which Obligee deems necessary or appropriate to protect Obligee's interest in the Equipment and in this Contract. Obligor shall allow Obligee to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01 Events of Default defined. The following events shall constitute an "Event of Default" under this Contract:

- (a) Failure by Obligor to pay any Contract Payment listed on Exhibit B for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit B.
- (b) Failure to pay any other payment required to be paid under this Contract at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Obligee that such payment must be made. If Obligor continues to fail to pay any payment after such period, then Obligee may, but will not be obligated to, make such payments and charge Obligor for all costs incurred plus interest at the highest lawful rate.
- (c) Failure by Obligor to observe and perform any warranty, covenant, condition, promise or duty under this Contract for a period of thirty (30) days after written notice specifying such failure is given to Obligor by Obligee, unless Obligee agrees in writing to an extension of time. Obligee will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Obligor. Subsection (c) does not apply to Contract Payments and other payments discussed above.
- (d) Any statement, material omission, representation or warranty made by Obligor in or pursuant to this Contract which proves to be false, incorrect or misleading on the date when made regardless of Obligor's intent and which materially adversely affects the rights or security of Obligee under this Contract.
- (e) Any provision of this Contract which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Obligee.
- (f) Obligor admits in writing its inability to pay its obligations.
- (g) Obligor defaults on one or more of its other obligations.
- (h) Obligor becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies for or consents to the appointment of a receiver, trustee, conservator, custodian, or liquidator of Obligor, or all or substantially all of its assets, or a petition for relief is filed by Obligor under federal bankruptcy, insolvency or similar laws, or is filed against Obligor and is not dismissed within thirty (30) days thereafter.

Section 9.02 Remedies on Default. Whenever any Event of Default exists, Obligee shall have the right to take one or any combination of the following remedial steps:

- (a) If Obligor fails to make scheduled Contract Payments, then Obligee shall have the right to obtain a judgment against Obligor in an amount not less than the sum of all Contract Payments due as set forth on Exhibit B plus any other amounts that may be owing hereunder. Obligor will be liable for any damage to the Equipment caused by Obligor or its employees or agents. Obligor shall be responsible to Obligee for all costs incurred by Obligee in the enforcement of its rights under this Contract including, but not limited to, reasonable attorney fees.
- (b) With or without terminating this Contract, Obligee may require Obligor at Obligor's expense to redeliver any or all of the Equipment and any additional collateral to Obligee to a location specified by Obligee. If Obligee exercises this remedy, Obligee will provide Obligor written notice at least fifteen (15) days prior to the date the Equipment is to be delivered to Obligee. If Obligor fails to deliver the Equipment and any additional collateral, Obligee may enter the premises where the Equipment and any additional collateral and charge Obligor for costs incurred. Notwithstanding that Obligee has taken possession of the Equipment and any additional collateral, Obligor shall still be obligated to pay the remaining Contract Payments due up until the end of the Contract Term. Obligor will be liable for any damage to the Equipment and any additional collateral caused by Obligor or its employees or agents.

Section 9.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Obligee is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Contract now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

Section 9.04 Return of Equipment and Storage.

- (a) Surrender: The Obligor shall, at its own expense, surrender the Equipment, any additional collateral and all required documentation to evidence transfer of title from Obligor to the Obligee in the event of a default by delivering the Equipment and any additional collateral to the Obligee to a location accessible by common carrier and designated by Obligee. In the case that any of the Equipment and any additional collateral consists of software, Obligor shall destroy all intangible items constituting such software and shall deliver to Obligee all tangible items constituting such software. At Obligee's request, Obligor shall also certify in a form acceptable to Obligee that Obligor has complied with the above software return provisions and that they will immediately cease using the software and that they shall permit Obligee and/or the vendor of the software to inspect Obligor's locations to verify compliance with the terms hereto.
- (b) Delivery: The Equipment and any additional collateral shall be delivered to the location designated by the Obligee by a common carrier unless the Obligee agrees in writing that a common carrier is not needed. When the Equipment and any additional collateral is delivered into the custody of a common carrier, the Obligor shall arrange for the shipping of the item and its insurance in transit in accordance with the Obligee's instructions and at the Obligor's sole expense. Obligor at its expense shall completely sever and disconnect the Equipment and any additional collateral or its component parts from the Obligor's property all without liability to the Obligee. Obligor shall pack or crate the Equipment and any additional collateral and all of the component parts of the Equipment and any additional collateral carefully and in accordance with any recommendations of the manufacturer. The Obligor shall deliver to the Obligee the plans, specifications, operation manuals or other warranties and documents furnished by the manufacturer or vendor on the Equipment and any additional collateral and such other documents in the Obligor's possession relating to the maintenance and methods of operation of such Equipment and any additional collateral.
- (c) Condition: When the Equipment is surrendered to the Obligee it shall be in the condition and repair required to be maintained under this Contract. It will also meet all legal regulatory conditions necessary for the Obligee to sell or lease it to a third party and be free of all liens. If Obligee reasonably determines that the Equipment or an item of the Equipment, once it is returned, is not in the condition required hereby, Obligee may cause the repair, service, upgrade, modification or overhaul of the Equipment or an item of the Equipment to achieve such condition and upon demand, Obligor shall promptly reimburse Obligee for all amounts reasonably expended in connection with the foregoing.
- (d) Storage: Upon written request by the Obligee, the Obliger shall provide free storage for the Equipment and any additional collateral for a period not to exceed 60 days after the expiration of the Contract Term before returning it to the Obliger shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Obligee shall reimburse the Obligor on demand for the incremental premium cost of providing such insurance.

X. Miscellaneous

Section 10.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 10.02 Binding Effect. Obligor acknowledges this Contract is not binding upon the Obligee or its assignees unless the Conditions to Funding listed on the Documentation Instructions have been met to Obligee's satisfaction, and Obligee has executed the Contract. Thereafter, this Contract shall inure to the benefit of and shall be binding upon Obligee and Obligor and their respective successors and assigns.

Section 10.03 Severability. In the event any provision of this Contract 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 10.04 Amendments, Addenda, Changes or Modifications. This Contract may be amended, added to, changed or modified by written agreement duly executed by Obligee and Obligor. Furthermore, Obligee reserves the right to directly charge or amortize into the remaining balance due from Obligor, a reasonable fee, to be determined at that time, as compensation to Obligee for the additional administrative expense resulting from such amendment, addenda, change or modification requested by Obligor.

Section 10.05 Execution in Counterparts. This Contract 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 10.06 Captions. The captions or headings in this Contract do not define, limit or describe the scope or intent of any provisions or sections of this Contract.

Section 10.07 Master Contract. This Contract can be utilized as a Master Contract. This means that the Obligee and the Obligor may agree to the financing of additional Equipment under this Contract at some point in the future by executing one or more Additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by Obligee. Additional Schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Contract shall govern each Additional Schedule. Section 10.08 Entire Writing. This Contract constitutes the entire writing between Obligee and Obligor. No waiver, consent, modification or change of terms of this Contract shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Contract, the Equipment or any additional collateral, financed hereunder. Any terms and conditions of any purchase order or other documents submitted by Obligor in connection with this Contract which are in addition to or inconsistent with the terms and conditions of this Contract will not be binding on Obligee and will not apply to this Contract.

Obligee and Obligor have caused this Contract to be executed in their names by their duly authorized representatives listed below.

City of Cadillac, Michigan	KS StateBank
Signature	Signature
•	Marsha Jarvis, Senior Vice President
Printed Name and Title	Printed Name and Title

EXHIBIT A

DESCRIPTION OF EQUIPMENT

RE: Government Obligation Contract dated as of March 26, 2020, between KS StateBank (Obligee) and City of Cadillac, Michigan (Obligor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

Two (2) 2019 Volvo L90H Wheel Loaders

Physical Address of Equipment after Delivery: 1001 6th St, Cadillac, MI 49601

EXHIBIT B

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of March 26, 2020, between KS StateBank (Obligee) and City of Cadillac, Michigan (Obligor)

Date of First Payment:

At Closing \$341,835.00

Original Balance: Total Number of Payments:

Six (6)

Number of Payments Per Year:

One (1)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	At Closing	\$34,490.31	\$0.00	\$34,490.31	\$315,604.78
2	26-Mar-21	\$34,490.31	\$9,742.83	\$24,747.48	\$288,941.47
3	26-Mar-22	\$34,490.31	\$8,958.34	\$25,531.97	\$261,616.91
4	26-Mar-23	\$34,490.31	\$8,148.97	\$26,341.34	\$233,614.70
5	26-Mar-24	\$34,490.31	\$7,313.95	\$27,176.36	\$204,918.03
6	26-Mar-25	\$210,000.00	\$6,452.46	\$203,547.54	\$0.00

City of Cadillac, Michigan

Signature

Printed Name and Title

^{*}Assumes all Contract Payments due to date are paid

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

RE: Government Obligation Contract dated as of March 26, 2020, between KS StateBank (Obligee) and City of Cadillac, Michigan (Obligor)

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the Governing Body of Obligor to sign this Certificate of Acceptance with respect to the above referenced Contract. I hereby certify that:

- 1. The Equipment described on Exhibit A has been delivered and installed in accordance with Obligor's specifications.
- 2. Obligor has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
- 3. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
- Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
- 5. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
- 6. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
- 7. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Ву	urce of Funds: General Fund signing below, Obligor hereby authorizes the General Fund of the Obligor as a backup source of funds from which the Contract Payments can be ade.
c	City of Cadillac, Michigan
Si	ignature
	rinted Name and Title

EXHIBIT D

OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of March 26, 2020, between KS StateBank (Obligee) and City of Cadillac, Michigan (Obligor) At a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on ______ the following resolution was introduced and adopted: BE IT RESOLVED by the Governing Body of Obligor as follows: Determination of Need. The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of March 26, 2020, between City of Cadillac, Michigan (Obligor) and KS StateBank (Obligee). Approval and Authorization. The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract. Authorized Individual(s): (Typed or Printed Name and Title of individual(s) authorized to execute the Contract) Adoption of Resolution. The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution. Signature: (Signature of Secretary, Board Chairman or other member of the Governing Body) Printed Name & Title: (Printed Name and Title of individual who signed directly above)

(Printed Name of individual who signed directly above)

(Signature of one additional person who can witness the passage of this Resolution)

Attested By:

Printed Name & Title:

EXHIBIT E

ACT 99 CERTIFICATE

RE: Government Obligation Contract dated as of March 26, 2020, between KS StateBank (Obligee) and City of Cadillac, Michigan (Obligor)

The undersigned, the duly authorized and qualified Finance Director of City of Cadillac, Michigan, County of Wexford, State of Michigan (the "Obligor"), in connection with the execution by the Obligor of the Government Obligation Contract (the "Contract"), in the amount of \$341,835.00, dated as of March 26, 2020 by and between the Obligor and KS StateBank, hereby certifies as follows:

- 1. The outstanding balance of all purchases authorized under Act 99 of 1933, exclusive of interest, do not exceed 1-1/4% of the taxable value of the real and personal property in the municipality as of the date of this Contract.
- 2. Upon request, Obligor can provide to Obligee specific dollar amounts to support this certification.

City of Cadillac, Michigan	
Signature of Finance Director	
Printed Name and Title	
Dated	

EXHIBIT F

BANK QUALIFIED CERTIFICATE

RE: Government Obligation Contract dated as of March 26, 2020, between KS StateBank (Obligee) and City of Cadillac, Michigan (Obligor)

Whereas, Obligor hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Contract is executed by making the following designations with respect to Section 265 of the Internal Revenue Code of 1986, as amended (the "Code"). (A "Bank Qualified Issuer" is an issuer that issues less than ten million (\$10,000,000) dollars of tax-exempt obligations other than "private activity bonds" as defined in Section 141 of the Code, excluding certain "qualified 501(c)(3) bonds" as defined in Section 145 of the Code, during the calendar year).

Now, therefor, Obligor hereby designates this Contract as follows:

- Designation as Qualified Tax-Exempt Obligation. Pursuant to Section 265(b)(3)(B)(i) of the Code, the Obligor hereby specifically designates the
 Contract as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the
 Code, the Obligor hereby represents that the Obligor will not designate more than \$10,000,000 of obligations issued by the Obligor in the
 calendar year during which the Contract is executed and delivered as such "qualified tax-exempt obligations".
- 2. Issuance Limitation. In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Obligor hereby represents that the Obligor (including all subordinate entities of the Obligor within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Contract is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code and excluding certain "qualified 501(c)(3) bonds" as defined in Section 145 of the Code) in an amount greater than \$10,000,000.

City of Cadillac, Michigan			
Signature			
Printed Name and Title			

INSURANCE REQUIREMENTS

Pursuant to Article V of the Government Obligation Contract, you have agreed to provide us evidence of insurance covering the Equipment.

A Certificate of Insurance listing the information stated below should be sent to us no later than the date on which the equipment is delivered.

Insured:

Certificate Holder:

City of Cadillac, Michigan KS StateBank

200 North Lake Street

1010 Westloop, P.O. Box 69

Cadillac, Michigan 49601

Manhattan, Kansas 66505-0069

1. Equipment Description

- Two (2) 2019 Volvo L90H Wheel Loaders
- Please include all applicable VIN's, serial numbers, etc.

2. Deductible

• The deductible amounts on the insurance policy should not exceed \$10,000.00.

3. Physical Damage

All risk coverage to guarantee proceeds of at least \$341,835.00.

4. Liability

Minimum Combined Single Limit of \$1,000,000.00 on bodily injury and property damage.

5. Additional Insured and Loss Payee

KS StateBank AOIA (and/or Its Assigns) MUST be listed as additional insured and loss payee.

Please forward certificate as soon as possible to:

Email: ablackie@ksstate.bank

Fax: (785) 587-4016

Please complete the information below and return this form along with the Contract.

City of Cadillac, Michigan			
Insurance Company:			
Agent's Name:			
Telephone #:			
Fax #:			
Address:			
City, State Zip:			
Email:			

PREFERRED

*As an additional payment option for Obligor, we are now providing the option of ACH (Automatic Clearing House). By completing this form, Obligor is authorizing Obligee to withdraw said payment amount on said date.

DEBIT AUTHORIZATION

I hereby authorize KS StateBank Government Finance Department to initiate debit entries for the Payment Amount (including, but not limited to, any late fees, rate changes, escrow modifications, etc.). I acknowledge that KS StateBank Government Finance Department may reinitiate returned entries up to two additional times, to the account indicated below at the financial institution named below and to debit the same to such account for:

Frequency of Payments

Payment Amount

604 400 D4

Contract Number

identification.

3357041			\$34,490.31		Annual			
Beginning				Day of Month				
	Month	Year		Debits will be ma	de according to Exhibit B of t	he Contract		
	<u>l acknowledge</u>	that the origin	ation of ACH transactions	to this account must cor	nply with the provisions of U.S. I	aw.		
Financial In	stitution Name			Branch				
Address		City		State	Zip			
Routing Nu	mber			Account Number				
borrower and due to KS Sta This authority termination i	d me. Until such teBank Government in for the such time and reme on Contract	time as paymer ent Finance Dep ull force and eff	nt is made, borrower shall partment regarding the ab	be responsible to make pove-referenced loan. received written notifica	he automatic deduction of paym such payments, and all other pa ation from any authorized signer on it.	yments that may be		
Signature	llac, Michigan			Printed Name and T	itle			
Tax ID Num 38-6004541				Date				
			LEASE ATTACH COPY OF	A VOIDED CHECK TO THI	s Form!			

USA Patriot Act
USA Patriot Act requires identity verification for all new accounts. This means that we may require information from you to allow us to make a proper

INVOICE

DATE SENT: 03-26-2020

BILL TO:

CITY OF CADILLAC, MICHIGAN ATTN: ACCOUNTS PAYABLE 200 NORTH LAKE STREET CADILLAC, MICHIGAN 49601 REMIT TO:
KS STATEBANK
GOVERNMENT FINANCE DEPARTMENT
PO BOX 69
MANHATTAN, KS 66505-0069
FOR INQUIRIES: (877) 587-4054

ACCOUNT NUMBER	PAYMENT DATE	PAYMENT DUE DATE	TOTAL AMOUNT DUE
3357041	At Closing	At Closing	\$34,490.31

DESCRIPTION		AMOUNT
GOVERNMENT OBLIGATION CONTRACT	PAYMENT AMOUNT:	\$34,490.31
DATED AS OF MARCH 26, 2020		
TWO (2) 2019 VOLVO L90H WHEEL LOADERS		
,		
Additional interest will be assessed on any payment rec	eived after the due date.	
		4-1-1-1-1
		\$34,490.31
		TOTAL DUE

8038 REVIEW FORM

The 8038 form attached hereto is an important part of the documentation package and must be properly filled out and submitted to the Department of the Treasury in order for you to receive the lower tax-exempt rate. Unless you instruct us otherwise, we have engaged a Paid Preparer to assist in the filling out of this form. The Paid Preparer has filled out the relevant portions of this form based on the current understanding of what is required by the Department of the Treasury. The responses on this 8038 form are based on the dates and amounts which you have requested (structure of the transaction) and which are on the Payment Schedule.

- 1. Please review our responses for accuracy. If anything is inaccurate, please contact our office so that we can make proper revisions.
- 2. If the information provided to you on this form is accurate, please sign where indicated and return with the document package.
- If there are any changes to the structure of the transaction that occur prior to funding which require a change to the 8038 form, we will make such changes and provide notification to you.
- 4. We will return to you a copy of the 8038 form that was mailed to the Department of the Treasury.

Important Note:

The IRS is now requesting information regarding tax-exempt issuers' and borrowers' written policies and procedures designed to monitor post-issuance compliance with the federal tax rules applicable to tax-exempt obligations (boxes 43 and 44). Do not check items 43 and 44 on the 8038 form unless you have established written procedures in accordance with the instructions referenced directly below. If you choose to "check" items 43 and/or 44, please be prepared to provide copies of such written procedures to the Paid Preparer or any representatives of the IRS upon request. Written procedures should contain certain key characteristics, including making provisions for:

- · Due diligence review at regular intervals;
- · Identifying the official or employee responsible for review;
- Training of the responsible official/employee;
- · Retention of adequate records to substantiate compliance (e.g., records relating to expenditure of proceeds);
- · Procedures reasonably expected to timely identify noncompliance; and
- Procedures ensuring that the issuer will take steps to timely correct noncompliance.

For additional guidance on this 8038 form, you can refer to the Documentation Instructions located on the following government website: http://www.irs.gov/app/picklist/list/formsInstructions.html, or contact your local IRS office.

Form 8038-G

Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
 ▶ See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Par	Reporting Author	ority			If #	Amended Retu	ırn, che	eck here 🕨	
1	Issuer's name City of Cadillac, Michiga	an			2	Issuer's employer	identifica	-	IN)
3a	 	issuer) with whom the IRS may com	municate about this return (s	see instructions)	3b	Telephone numbe			on 3a
4	Number and street (or P.O. b 200 North Lake Street	oox if mail is not delivered to street a	iddress)	Room/suite	5	Report number (F	or IRS Us	se Only)	
6	City, town, or post office, star	te, and ZIP code			7	Date of issue			11 2
	Cadillac, Michigan 4960)1					03/26/2	020	
8	Name of issue				9	CUSIP number			
40-	Government Obligation	Contract other employee of the issuer whom	the IDC may call for more	information (acc	40h	Telephone numbe	Non		
IUa	instructions)	outer employee of the issuer whom	illioittialioit (see	100	employee shown		er or ower		
	Mr. Owen Roberts, Dire					(231) 779-7333			
Par	Type of Issue (e	nter the issue price). See t	the instructions and at	tach schedul	е				
11	Education						11		L
12	Health and hospital .						12		<u> </u>
13	Transportation						13		
14	14 Public safety								
15	15 Environment (including sewage bonds)								
16	Housing								
17	Utilities						17		
18	Other. Describe ► Two	(2) 2019 Volvo L90H Wheel Loade	rs				18	345,269	70
19	If obligations are TANs	or RANs, check only box 19a				▶ □			
	If obligations are BANs,	check only box 19b				▶ □			4
20	If obligations are in the f	form of a lease or installment sa	ile, che c k box			▶ ☑			
Par	till Description of C	Obligations. Complete for th	e entire issue for which	h this form is	bein	g filed.	1.50	- 101 <u>- 1</u>	
	(a) Final maturity date	(b) issue price	(c) Stated redemption price at maturity	I		Veighted re maturity		(e) Yield	
21	03/26/2025	\$ 345,269.70	\$ N/A		5.000	years		3.170	%
Par	IV Uses of Proceed	ds of Bond Issue (including	g underwriters' disco	ount)					
22	Proceeds used for accru	ued interest					22	•	
23	Issue price of entire issu	ue (enter amount from line 21, c	olumn (b))				23		
24	Proceeds used for bond	issuance costs (including unde	rwriters' discount)	24					
25	Proceeds used for credi	t enhancement		25					
26	Proceeds allocated to re	easonably required reserve or re	eplacement fund	26					
27	Proceeds used to refund	d prior tax-exempt bonds. Comp	olete Part V	27			1 7		
28	Proceeds used to refund	d prior taxable bonds. Complete	Part V	28					
29	Total (add lines 24 throu	ıgh 28)					29		
30	Nonrefunding proceeds	of the issue (subtract line 29 fro	om line 23 and enter amo	unt here) .			30		
Par		Refunded Bonds. Complete							
31	Enter the remaining wei	ghted average maturity of the ta	x-exempt bonds to be re	funded		.	•	•	years
32		ghted average maturity of the ta	•						years
33		hich the refunded tax-exempt be							
	Enter the date(e) the refunded hands were issued > (AMM/DD/VVVV)								

- 1	n	_	_	_	•
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											. 490 -
Part	VI Misc	ellaneous									
35	Enter the a	mount of the stat	e volume cap a	llocated to the issue unde	er section 141(b)(5)			35		
36a	Enter the a	mount of gross p	roceeds investe	ed or to be invested in a g	uaranteed inve	estment co	ntract (GIC)			i.	
	(see instru	ctions)							36a		
b	b Enter the final maturity date of the GIC▶ (MM/DD/YYYY)										
C	c Enter the name of the GIC provider ▶										
37	37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans										
	to other governmental units										
38a	If this issue	e is a Ioan made f	rom the procee	ds of another tax-exempt	issue, check b	oox ► 🗌	and enter th	e following	inform	ation:	
b	Enter the o	late of the master	pool bond ►(N	/IM/DD/YYYY)					_		
C	Enter the E	IN of the issuer of	of the master po	oi bond ►							
d	Enter the n	ame of the issue	r of the master p	oool bond ▶							
39	If the issue	r has designated	the issue under	r section 265(b)(3)(B)(i)(I	ll) (small issue	r exception), check box			▶	\checkmark
40	If the issue	r has elected to p	ay a penalty in	lieu of arbitrage rebate, o	check box						
41a	If the issue	r has identified a	hedge, check h	ere > \square and enter the	following infor	mation:					
b	Name of h	edge provider ►									
C	Type of he	dge ►									
d	Term of he	dge ►									
42	If the issue	r has superintegr	ated the hedge,	check box	<i></i> .					🕨	
43	If the issue	r has established	written procedu	ures to ensure that all no	nqualified bond	ls of this iss	sue are reme	ediated			
	according	to the requiremen	its under the Co	de and Regulations (see	instructions), o	check box				🕨	, 🔲
44	If the issue	r has established	written procedu	ares to monitor the requir	ements of sect	tion 148, ch	eck box			🕨	. 🔲
45a	If some po	rtion of the procee	eds was used to	reimburse expenditures	, check here >	- □ and	enter the an	nount			
	of reimburs	sement		•							
b	Enter the d	late the official int	ent was adopte	d ► (MM/DD/YYYY)							
Sign and Con	ature sent	and belief, they are process this return,	true, correct, and to the person tha	that I have examined this ret complete. I further declare t t I have authorized above.	hat I consent to t	anying sched the IRS's disc	closure of the i	ssuer's returi	n inform	st of my knowled ation, as necess	dge sary to
		Signature of Print/Type prepare	issuer's authorize	ed representative Preparer's signature	Date	Date	Type or	print name a	. 1	PTIN	
Paid		" ' '			nHowe		Į	Check	Jif		
	arer	H. Evan Howe			U3-26 13:18:58	03/2	6/2020	self-emplo		P014389	94
	Only	Firm's Name ▶	Baystone Fina				Firm's EIN ▶			223987	
		Firm's Address ► 12980 Metcalf, Suite 310, Overland Park, KS 66213 Phone no. (800) 752-3562									

Form **8038-G** (Rev. 9-2011))

City Council

200 North Lake Street Cadillac, Michigan 49601 Phone (231) 775-0181 Fax (231) 775-8755



Mayor Carla J. Filkins

Mayor Pro-Tem Tiyi Schippers

Councilmembers
Bryan Elenbaas
Robert J. Engels
Stephen King

RESOLUTION No. 2020-____

RESOLUTION PROVIDING FOR THE CONTINUED BASIC OPERATIONS OF THE CITY AND SUSPENDING LATE FEES AND SHUT OFFS DURING THE STATE OF EMERGENCY

At a meeting of the City Council of the City of Cadillac, Wexford County, Miclithe Council Chambers, Cadillac Municipal Complex, 200 North Lake Str Michigan, on the day of, 2020, at 6:00 p.m.	0 /
PRESENT:	
ABSENT:	
The following preamble and resolution was offered by	and
seconded by	

WHEREAS, the novel coronavirus (COVID-19) is a respiratory disease that can result in serious illness or death and it is caused by a new strain of virus that has not previously identified in humans and can easily spread from person to person; and

WHEREAS, State of Michigan Governor Gretchen Whitmer has declared a state of emergency to harness resources across the state to slow the spread of the virus including, but not limited to, prohibiting large assemblages and events and ordering the closure of all K-12 school buildings (Executive Order 2020-11), authorizing remote participation in public meetings and hearings (Executive Order 2020-15), closing or limiting the operation of public business such as theaters, bars, casinos and restaurants (Executive Order 2020-20), suspending activities that are not necessary to sustain or protect life (Executive Order 2020-21), and restoring water service to occupied residences (Executive Order 2020-28); and

WHEREAS, COVID-19 has had a negative economic impact on the citizens and businesses of the City and will continue to do so for weeks or months to come; and

WHEREAS, the City Council has determined it is in the best interests of the health, safety and welfare of the City to provide for the continued basic operations of the City and to take actions authorized under the Emergency Management Act, Act 390 of 1976 (the "Act") and

in compliance with Executive Orders issued by the Governor in response to the COVID-19 pandemic.

THEREFORE BE IT RESOLVED by the City Council of the City of Cadillac, Michigan, as follows:

- 1. City Hall located at 200 N. Lake Street is closed to the public pursuant to Executive Order 2020-21 until April 13, 2020 at 11:59 p.m. or until such time as ordered by the Governor. Until such time, all in-person government activities that are not necessary to sustain or protect life, or to support those businesses and operations that are necessary to sustain or protect life, are suspended except as otherwise permitted by Executive Order 2020-21, or extension thereof, and this Resolution.
- 2. Pursuant to Executive Order 2020-21, the City will continue operating and providing necessary governmental activities performed by critical infrastructure workers in-person and remotely.
- 3. The City's workers may perform governmental activities by remote access, including video conferences, telephone conferences, and email communication, provided such conduct is in compliance with the Open Meetings Act, Act 267 of 1976 and Executive Order 2020-15.
- 4. Water and sewer late fees on payments beginning with the March, 2020 billing cycle and all shut-offs associated therewith are hereby suspended.
- 5. Water and sewer service to any occupied residence where such services have been shut off due to non-payment shall be restored, so long as reconnection would not create a risk to public health (e.g. due to cross-contamination).
- 6. If the City determines that any occupied residences within its service area have had water or sewer service shut off for any reason other than nonpayment or that reconnection would create a risk to the public heath, the City shall make best efforts to remedy such conditions and restore service to such occupied residences as soon as possible.
- 7. No later than April 12, 2020, the City shall submit a report to the State Emergency Operations Center containing the following:
 - a. An account of what effort has been made to determine which occupied residences within the City's service area do not have water service.
 - b. The number of occupied residences within the City's service area that do not have water service as a result of a shutoff due to non-payment.
 - c. The number of occupied residences within the City's service area that do not have water service as a result of a reason other than non-payment.

- d. A certification that best efforts have been exercised to determine which occupied residences within the service area do not have water service; that, to the best of the City's knowledge, no occupied residences have their water service shut off due to non-payment; that the public water supply has reconnected water service for all occupied residences that can be reconnected without creating a risk to public health; and that the public water supply has exercised best efforts to remedy the conditions that prevent reconnection due to a risk to public health.
- 8. During this State of Emergency and until further action by the City Council, the City Manager may impose, modify, or authorize exceptions to, any existing City policy or established practice as necessary to respond to the COVID-19 pandemic, including but not limited to strategies to reduce transmission among staff, protect people at higher risk for adverse health complications, and to provide and maintain essential and necessary governmental operations and services while minimizing the spread of the virus and the possible negative impacts to City residents. These powers include, but are not limited to, restricting access to facilities, reassigning employment duties, acquiring new software, authorizing work from remote locations, compensating staff for work or being available to work, waiving or reducing certain approved City fees to the public, as well as making necessary emergency expenditures to acquire necessary facilities or supplies.
- 9. The City Manager shall regularly advise the City Council of all such actions taken and the City Council retains control to reverse or modify any such measures taken by the City Manager.
- 10. This resolution shall continue until the termination of the State of Emergency under section 3 of Executive Order 2020-4 or by further resolution of the City Council.
- 11. Any resolution inconsistent with this Resolution is hereby repealed, but only to the extent necessary to give this resolution full force and effect.

ADOPTED:	
YEAS:	
NAYS:	

STATE OF MICHIGAN)	
COUNTY OF WEXFORD)	
	on No. 2020, duly	dillac, hereby certify this to be a true and y adopted at a meeting of the City Council
		Sandra Wasson Cadillac City Clerk