

RESOLUTION AUTHORIZING INSTALLMENT PURCHASE AGREEMENT  
MAPLE GROVE TOWNSHIP  
SAGINAW COUNTY, STATE OF MICHIGAN

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Minutes of a regular meeting of the Township Trustees of Maple Grove Township, Saginaw County, State of Michigan, held on the 15<sup>th</sup> day of March, 2020 at 7:00 p.m., prevailing Eastern Time.

RESOLUTION #: 03-2021-03

PRESENT: Supervisor Krupp, Treasurer Yaros, Clerk Yaros, Trustee Peterman and Trustee Wendling.

ABENSET: None.

The following preamble and resolution were offered by Clerk Yaros and supported by Trustee Peterman.

WHEREAS, the Maple Grove Township, Michigan (the "Township") desires to have built a Fire Tanker; VIN # TBD (the "Fire Tanker"), for which Fire Tanker Township already owns and possess the chassis and Vendor shall purchase the parts/equipment and install the parts/equipment on the Fire Tanker; and

WHEREAS, under the provisions of Act No. 99, Public Acts of Michigan, 1933, as amended ("Act 99"), the Township is authorized to enter into any contracts or agreements for the purchase of parts/equipment and installation thereof on the Fire Tanker, to be paid for in installments over a period of not to exceed the useful life of the Fire Tanker as determined by resolution of the Township; and

WHEREAS, an Installment Purchase Agreement (the "Agreement") between the Township, Birchmeier Bros. Farm ("Vendor"), and The State Bank, Fenton, Michigan (the "Bank"), for the installment purchase of the Fire Tanker has been prepared; and

WHEREAS, the Township shall pay for the parts/equipment and installation thereof on the Fire Tanker an aggregate purchase price of \$63,314.79 (the "Purchase Price") plus attorney fees of \$1,500.00 and loan packaging fee of \$400.00, for a total amount of \$65,214.79 which shall be financed (the "Financed Portion") through the execution of the Agreement, with the balance being paid from Township funds on hand; and

WHEREAS, the outstanding balance of all purchases by the Township under Act 99, exclusive of interest, shall not exceed one and one quarter percent (1-1/4%) of the taxable value of the real and personal property in the Township at the date of such contract or agreement; and

WHEREAS, payment for the parts/equipment and installation thereof on the Fire Tanker pursuant to an installment purchase agreement will not result in the outstanding balance of all such purchases in excess of the limitation contained within Act 99 as set forth above; and WHEREAS, the Agreement is to be assigned to the Bank; and

WHEREAS, it is necessary to approve the Agreement and authorize the Supervisor and Township Clerk to execute the Agreement and authorize Township officials to execute certain other documentation relative thereto.

NOW THEREFORE, BE IT RESOLVED THAT;

1. Approval of Agreement; Agreement Terms. The Agreement is hereby approved substantially in the form attached hereto as Exhibit A. The Township shall incur the debt described in the Agreement through execution of the Agreement by the officers authorized below which debt shall consist of the Financed Portion of not to exceed **\$65,214.79** which shall be payable in **10 annual principal installments payable on March 8, 2022 and continuing on the same date each year, and 20 semi-annual interest payments payable on September 8, 2021** and continuing on the same date each half-year thereafter, at a rate of **2.50%** per annum. The Supervisor and Township Clerk are each authorized to adjust the final details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are authorized to make determinations regarding the principal and interest payment dates, maturity, and redemption provisions, provided that the principal amount of the Agreement shall not exceed **\$65,214.79**, the interest rate per annum shall not exceed **2.50%**. The final terms of the Agreement shall be evidenced through execution of the Agreement by the Supervisor and Township Clerk.
2. Execution and Delivery of Agreement. The Supervisor and Township Clerk are hereby authorized and directed to execute the Agreement and deliver it to the Vendor, substantially in the form attached hereto with such additions, changes and modifications as shall be approved by the Township's Bond Counsel.
3. Useful Life of Fire Tanker. The useful life of the Fire Tanker is hereby determined to be not less than **ten (10) years**.
4. Authorization of Officers. The Supervisor and Township Clerk are each hereby directed and authorized to execute such additional documentation and open such accounts as shall be necessary to effectuate the closing of the Agreement and the assignment thereof.
5. Assignment of Agreement. The assignment of the Agreement by the Vendor to the Bank is hereby approved.
6. Security; Limited Tax Pledge. The Township hereby agrees to include in its budget for each year, commencing with the present fiscal year, a sum which will be sufficient to pay the principal of and the interest coming due under the Agreement during such fiscal year. In addition, the Township hereby pledges to levy ad valorem taxes on all taxable property in the Township each year in an amount necessary to make its debt service payments under Agreement, subject to applicable constitutional, statutory and charter tax rate limitations.
7. Tax Covenant. The Township covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest component of

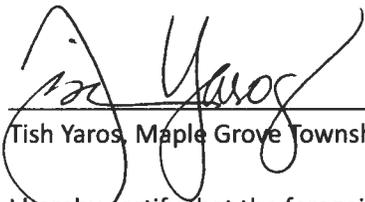
the payments due under the agreement from adjusted gross income for general federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable.

8. Qualified Tax-Exempt Obligation. The Township hereby designates the agreement as a "qualified tax-exempt obligation" for purposes of deduction of interest expense by financial institutions pursuant to the Code.
9. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded to the extent of such conflict.

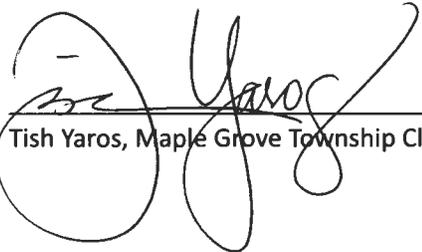
AYES: Supervisor Krupp, Treasurer Yaros, Clerk Yaros, Trustee Peterman and Trustee Wendling.

NAYS: None.

RESOLUTION DECLARED ADOPTED.

  
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Tish Yaros, Maple Grove Township Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Trustees of Maple Grove Township, Saginaw County, State of Michigan, at a regular meeting held on March 15, 2021, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

  
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Tish Yaros, Maple Grove Township Clerk