

February 14, 2022

The Board of County Road Commissioners of Montcalm County held a special meeting at its office located in Stanton, Michigan at 2:00 p.m. on February 14, 2022.

Present: Commissioners Dale Linton, Robert Brundage and Michael Scott; also present: Mark Christensen, Managing Director and Kim Alexander, Finance Director-Clerk.

The Pledge of Allegiance and a prayer were given.

Moved by Brundage, seconded by Scott, to approve the agenda as presented. Motion carried.

Moved by Scott, seconded by Brundage to accept and file the following bids:

Bituminous Cold Patch
Brush Spray
Carbide Bits
Catch Basin Cleaning
Concrete Construction
Corrugated Plastic Culverts
Emulsion
Eureka Township SCL Tree Removal
Gravel Resurfacing
Gravel Resurfacing - Limestone
HMA Paving
HMA Skip Paving
Overband Crack Seal
Pavement Markings
Tree Cutting

Roll call – Brundage-yes, Scott-yes and Linton-yes. Motion carried.

Commissioner Brundage offered the following Resolution and moved for its adoption:

WHEREAS, the Board has determined that it is necessary to acquire, construct, furnish and equip facilities to operate as a road commission complex and that support equipment and salt storage, engineering, maintenance, preservation, operations and other road-related purposes, making improvements to the site thereof and other related improvements, appurtenances and road purposes to be used by the Montcalm County Road Commission (the "Road Commission") in the County of Montcalm (the "Property");

WHEREAS, the Road Commission expects to enter into a contract with a vendor (the "Vendor") to acquire and construct the Property (the "Purchase Contract"), subject to the Road Commission's receipt of funds to finance a portion of the cost thereof; and

WHEREAS, the Road Commission will request proposals from lenders to purchase the interest of the Vendor in the Purchase Contract and accept assignment thereof, and to finance the cost of the acquisition of the Property by entering into an installment purchase agreement pursuant to which the Road Commission will make payments of principal and interest to the lender; and

WHEREAS, it is determined to be necessary and desirable and in the best interest of the Road Commission that the acquisition of the Property be financed by installment purchase authorized under the provisions of MCL § 224.10(5), and more specifically by the acquisition of the Property pursuant to an installment purchase agreement with a lender, as assignee of the Vendor (the "Assignee"), to be dated the date of delivery thereof (the "Agreement").

NOW, THEREFORE, BE IT RESOLVED that:

It is hereby found to be necessary and desirable for the Road Commission to finance the cost of the Property in the aggregate principal amount not to exceed \$4,000,000 by the acquisition of the Property by the Road Commission pursuant to the terms and conditions of the Agreement.

The Board shall include in its budget and pay the sum or sums necessary each year to meet the payments due pursuant to the provisions of the Agreement.

The Agreement shall be dated the date of delivery thereof to the Assignee. Principal of the Agreement shall be payable in annual installments, as finally determined by the Manager of the Road Commission (the "Manager"), with the final principal payment being due not later than 20 years after the date of delivery of the Agreement. Interest on the unpaid principal of the Agreement shall be due and payable semi-annually on such dates and at a rate or rates not

exceeding 5% per annum as finally determined by the Manager. Installments of principal may be prepaid upon such terms and conditions as finally determined by the Manager.

The Manager is hereby authorized to enter into the Agreement in substantially the form approved by him and consistent with the terms of this resolution. The approval of such form, interest rate or rates, payment dates, prepayment terms, and the principal installments of the Agreement described in the preceding paragraph shall be conclusively evidenced by his signature on the Agreement. The Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Board covenants to comply with all provisions of the Internal Revenue Code of 1986, as amended (the "Code"), necessary to maintain the exclusion of interest on the Agreement from gross income for federal income tax purposes.

The Manager and officers of the Board as may be necessary are each hereby authorized to execute and deliver such documents, instruments and certificates, including security agreements and financing statements, as are necessary or desirable to consummate the described transactions, to secure payment of the Agreement and to maintain the exclusion of the interest on the Agreement from gross income for federal income tax purposes.

The Board hereby designates the Agreement as a "qualified tax exempt obligation" for the purpose of deduction of interest expense by financial institutions under Section 265(b)(3)(B) of the Code.

The useful life of the Property is determined to be fifteen years and upwards.

Supported by Commissioner Scott. Roll call – Brundage-yes, Scott-yes and Linton-yes. Motion carried.

Moved by Scott, seconded by Brundage to enter closed session pursuant to MCL15.268(d) to consider the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained at 2:24 p.m. Motion carried.

The board returned to open session at 2:24 p.m.

Moved by Scott, seconded by Brundage to authorize the Manager to make an offer on the property on the northwest corner of M-46 and Youngman Road not to exceed the asking price and negotiate with MDOT for reimbursement of all costs associated with the project. Roll call – Brundage-yes, Scott-yes and Linton-yes.

There being no further business to come before the board, the meeting adjourned at 2:32 p.m.

Chairman

Clerk