



SAUGATUCK TOWNSHIP FIRE DISTRICT



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FIRE DISTRICT "SPECIAL" BOARD MEETING

2:00pm - February 24th, 2016

1. Call to Order / Roll Call:
2. Approval of Agenda (*additions / deletions*):
3. Correspondence:
4. Fire Chief Comments:
5. Public Comment on Agenda Items: (Limit 3 minutes)
6. Request for Payment:
7. Unfinished Business:
8. New Business:
 - A. **Resolution for Loan Process to Purchase – 2011 KME International Pumper**
9. Fire Board Comments
10. Public Comments: (Limit 3 minutes)
11. Adjournment:

NOTICE

This facility is wheel chair accessible with accessible parking spaces available. Request for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact Saugatuck Township Fire District at 269-857-3000 for further information.

**FIRE ADMINISTRATIVE BOARD
SAUGATUCK TOWNSHIP FIRE DISTRICT
(Allegan County, Michigan)**

Resolution No. _____

**RESOLUTION AUTHORIZING EXECUTION AND DELIVERY
OF AN INSTALLMENT PURCHASE AGREEMENT**

Minutes of a special meeting of the Fire Administrative Board of the Saugatuck Township Fire District, Allegan County, Michigan, held in the _____, _____, Michigan, on February 24, 2016, at _____ p.m. local time.

PRESENT: _____

ABSENT: _____

The following resolution was offered by Member _____ and supported by Member _____:

WHEREAS, the Township of Saugatuck, the City of Saugatuck, and the City of the Village of Douglas (together, the "Constituent Municipalities") have together formed the Saugatuck Township Fire District (the "Fire District"); and

WHEREAS, the Fire District desires to purchase a 2011 KME Pumper and related equipment (the "Property"); and

WHEREAS, the Constituent Municipalities have determined that the issuance of a joint installment purchase agreement through the Fire District provides the most appropriate means of acquiring and financing the Property; and

WHEREAS, Act 7, Public Acts of Michigan, 1967 (Ex. Sess.), as amended ("Act 7"), provides that the Constituent Municipalities acting together through a separate legal entity may exercise any power the Constituent Municipalities share in common and which each might exercise separately; and

WHEREAS, Act 99, Public Acts of Michigan, 1933, as amended ("Act 99"), provides a means by which each Constituent Municipality may borrow money for the purchase of lands, property or equipment for public purposes, to be paid for in installments over a period of not to exceed the lesser of the useful life of the property or fifteen years; and

WHEREAS, the Constituent Municipalities together with the Fire District have executed a Fire Truck Acquisition and Financing Contract (the "Financing Contract"), which designates the Fire District as the entity to administer entering into an installment purchase agreement to finance the Property and by which each of the Constituent Municipalities has pledged its limited tax full faith and credit to the payment of its share of the principal of and interest on the installment purchase agreement; and

WHEREAS, the Fire District has entered into a contract with the Great Cacapon Volunteer Fire Company (the "Vendor"), to acquire the Property (the "Purchase Contract"); and

WHEREAS, the Fire District has received a proposal from Chemical Bank, or such subsidiary or affiliate entity as it shall designate (the "Bank"), to purchase the interest of the Vendor in the Purchase Contract and accept assignment thereof, and to finance the purchase of the Property by entering into an Installment Purchase Agreement pursuant to which the Fire District will make payments of principal and interest to the Bank; and

WHEREAS, each Constituent Municipality's outstanding balance of all installment purchases, exclusive of interest, not including (i) contracts entered into under Act 31, Public Acts of Michigan, 1948, First Extra Session, as amended, or (ii) contracts or leases between public corporations or municipalities, but including its share of the principal amount of the Installment Purchase Agreement authorized by this resolution, shall not exceed one and one-quarter percent (1-1/4%) of the taxable value of the real and personal property in the Constituent Municipality.

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. Purchase of the Property is hereby found to be a public purpose and in the best interest of the health, safety and welfare of the Fire District and the purchase of the Property is approved and the Bill of Sale therefor is ratified.
2. The Financing Contract is approved and adopted and the execution thereof on behalf of the Fire District is ratified and confirmed.
3. The Fire District approves the proposal of the Bank and authorizes and directs the Chairperson and the Secretary (the "Authorized Officers") to execute and deliver an Installment Purchase Agreement between the Fire District and the Bank in such form as recommended by the Fire District's bond counsel and approved by the Authorized Officers (the "Agreement") in an amount of not to exceed \$200,000, as finally determined by the Authorized Officers, with an

interest rate on the principal amount outstanding of not to exceed 1.70 percent per annum, as finally determined by the Authorized Officers.

4. The Fire District hereby agrees to include in its budget each year, commencing with the present fiscal year, if applicable, a sum that will be sufficient to pay the principal of and interest coming due under the Agreement. In addition, the Constituent Municipalities have pledged to levy ad valorem taxes on all taxable property in each Constituent Municipality each year in an amount necessary to make its share of the debt service payments under the Agreement, subject to charter, if applicable, constitutional, and statutory tax rate limitations.

5. The Fire District shall, at all times while any payments on the Agreement are outstanding, have control of the Property and shall maintain the same for public purposes.

6. The useful life of the Property is hereby determined to be not less than five (5) years.

7. The Fire District designates the obligations under the Agreement as “qualified tax exempt obligations” for purposes of the deduction of interest expense by financial institutions pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

8. The Fire District covenants that it will comply with all applicable requirements of the Code and, 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 Code including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of proceeds of the Agreement and to prevent such proceeds from being or becoming “private activity bonds” as that term is used in Section 141 of the Code.

9. The proceeds of the Agreement shall not be used to reimburse the Fire District for expenses incurred prior to the declaration of official intent required by Section 1.103-8(a)(s) of the Treasury Regulations.

10. The firm of Dickinson Wright PLLC is employed as bond counsel to the Fire District to prepare the documents for the issuance of the Agreement for the financing of the acquisition of the Property.

11. The Chairperson, the Secretary, and the Treasurer, or any one or more of them, are hereby authorized to do all acts and things and to execute any documents or certificates as may be necessary or desirable, and to deliver such documents to the parties to effectuate the transaction described in the Agreement.

12. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and they are hereby rescinded.

YEAS: _____

NAYS: _____

ABSTAIN: _____

RESOLUTION DECLARED ADOPTED.

Roy McIlwaine, Secretary
Saugatuck Township Fire District

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Fire Administrative Board of the Saugatuck Township Fire District, Allegan County, Michigan, at a special meeting held on February 24, 2016, and that public notice of the meeting was given pursuant to Act 267, Public Acts of Michigan, 1976, as amended.

IN WITNESS WHEREOF, I have hereto affixed my official signature on February 24, 2016.

Roy McIlwaine, Secretary
Saugatuck Township Fire District