

**AGENDA**  
**REGULAR MEETING OF THE CARO CITY COUNCIL**  
**March 20, 2023, 6:30 P.M.**

**CALL TO ORDER (Pledge of Allegiance)**

**AGENDA APPROVAL**

**PUBLIC COMMENTS/VISITORS:**

**COMMUNICATION:**

1. SAFEbuilt Meet and Greet
2. Indianfields Township Proposed Masterplan

**CONSENT AGENDA:**

1. Regular Council Meeting Minutes – March 6, 2023
2. Policy Committee Meeting Minutes – March 6, 2023
3. Invoices
4. Department Reports
  - A. Police Report – Chief Brian Newcomb
  - B. Fire Report – Chief Randall Heckroth
  - C. Code Enforcement Report – Randall Heckroth
  - D. Director of Public Works Report – Tom Reese
  - E. WWTP – David Dienes II
  - F. Municipal Parking Violations Bureau Report – Rita Papp
  - G. Director of Development & Strategic Initiatives Report – Lauren Amellal

**REGULAR AGENDA:**

1. Resolution for Financing Used Fire Truck
2. Policy Committee Recommendation – Capital Assets Policy
3. Human Development Commission – Request for Ribbons – Sexual Assault Awareness – April 2023
4. Schedule Public Hearing – Project Public Meeting – WWTP Collection System Improvements
5. Resolution to Establish Transfer & Renewal Fee Amounts for Marihuana Establishments
6. 2022 Sidewalk Re-Bids
7. City Hall Parking Lot Bids
8. Certificate of Deposit Report
9. Stealth Water Meters Pilot Program

**ITEMS POSTPONED:**

1. Proposed Budget Timeline for FY 2023-2024
  - a. Set Budget Workshop, April 5, 2023, from 5:30 p.m. – 7:30 p.m.

**COMMITTEE/LIAISON POSITION REPORTS:**

1. Economic Development Corporation (Mayor Snider)
2. Chamber of Commerce (Manager)
3. Downtown Development Authority (Kish)
4. Fair Board (Iseler)
5. Parks & Recreation (White)
6. Planning Commission (Eschenbacher)
7. Tuscola County Board of Commissioners (Iseler)
8. Zoning Board of Appeals (Mayor Snider)

9. Indianfields Township (Manager)
10. Almer Township (Campbell)

**MAYOR'S REPORT** – Written report submitted.

**MANAGER REPORT** – Written report submitted.

**CLERK'S REPORT** – Written report submitted.

**TREASURER'S REPORT** – Written report submitted.

**ADDITIONAL PUBLIC COMMENTS**

**ADJOURN**

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Sponsored by

SAFEbuilt®

# Meet and Greet

Monday, April 10

Join us from

11:00 AM - 2:00 PM

**State Street Square Pavilion**

(aka Farmer's Market)

Downtown Caro, Michigan

*Refreshments will be provided*

**March 9, 2023**

**To: Caro City Council/Caro Planning Commission**

**From: Indianfields Township**

**This is a copy of Indianfields Township's proposed revised Master Plan for your review and any comments. Please make any comments in writing to the Indianfields Township Planning Commission prior to April 4, 2023 or appear, in person on April 4, 2023 at 6:30 pm, at the Indianfields Township's Planning Commissions' Regular meeting.**

**William E. Campbell**

**Indianfields Township Supervisor**

## **CITY OF CARO REGULAR COUNCIL MINUTES**

Mayor Karen Snider called the regular meeting of the City Council to order on March 6, 2023, at 6:30 p.m. in the Council Chambers.

Present: Mayor Karen Snider, City Council: Emily Campbell, Bob Eschenbacher, Don Hall, Pamela Iseler, Charlotte Kish, and Jill White.

Absent: None

Others: Scott Czasak – City Manager, Rita Papp – City Clerk, Michele Perry – City Treasurer, and other guests.

### **AGENDA APPROVAL**

#### **23-M-49**

**Motion by Campbell, seconded by Iseler to approve the agenda as presented.**

**Motion Carried.**

### **PUBLIC COMMENT/VISITORS:**

Tim & Stephanie Spencer – Commented on unleashed dangerous dogs in the city.

### **COMMUNICATIONS:**

1. Tuscola County Scrap Tire Collection
2. State Representative Matthew Bierlein Town Hall – March 20, 2023

### **CONSENT AGENDA:**

1. Regular Council Meeting Minutes – February 20, 2023
2. Planning Commission Meeting Minutes – January 24, 2023
3. Invoices

#### **23-M-50**

**Motion by Eschenbacher, seconded by Kish to approve the consent agenda as presented including invoices.**

**Motion Carried.**

### **REGULAR AGENDA: (action required)**

1. Resignation Letter – Don Hall

#### **23-M-51**

**Motion by Eschenbacher, seconded by Campbell to approve and accept the Resignation Letter from Don Hall with regrets.**

**Motion carried.**

2. Mayor Appointment

Mayor Karen Snider appointed the following liaisons: Charlotte Kish to the Downtown Development Authority, Pamela Iseler to the Tuscola County Board of Commissioners, and Scott Czasak to Indianfields Township Board.

3. WSP Change Order No. 2 – Well # 6

**23-M-52**

**Motion by Eschenbacher, seconded by Kish to approve and authorize the City Manager to sign the Change Order from WSP USA Environment & Infrastructure, Inc. and transmit the same.**  
**Motion carried.**

4. Alley Abandonment Resolution

**23-M-53**

**Motion by Eschenbacher, seconded by Kish to approve and adopt the Resolution to Vacate Alley in Joseph Gamble Addition, Block 3, as presented.**

**Roll call vote: Campbell – yes, Eschenbacher – yes, Iseler – yes, Kish – yes, White – yes, Mayor Snider – yes.**

**Motion carried.**

5. Proposed Budget Timeline for FY 2023-2024

**23-M-54**

**Motion by Eschenbacher, seconded by Campbell to postpone this matter to the next regularly scheduled Council Meeting.**

**Motion carried.**

**ITEMS PENDING/TABLED:** None

**COMMITTEE/LIAISON POSITION REPORTS:** None

**MAYOR'S REPORT** – Written report submitted

**MANAGER'S COMMENTS** – Written report submitted

Welcomed David Dienes II, Director of Wastewater Treatment Services to the City of Caro.

**CLERK'S REPORT** – Written report submitted

**ADDITIONAL PUBLIC COMMENT:**

Council Member Pam Iseler inquired on getting her email set up on her cell phone.

Council Member Bob Eschenbacher mentioned that he will be absent on March 20, 2023.

**23-M-55**

**Motion by Eschenbacher, seconded by Campbell to adjourn the meeting at 7:06 p.m.**  
**Motion carried.**



Rita Papp  
City Clerk

## **CITY OF CARO POLICY COMMITTEE MINUTES**

Policy Chair Jill White called the Policy Committee meeting to order on March 6, 2023, at 5:16 p.m. in the Council Chambers.

Present: Chair Jill White, Emily Campbell, & Pamela Iseler

Absent: None

Others: Scott Czasak – City Manager, Rita Papp – City Clerk, Michele Perry – City Treasurer, Mayor Karen Snider & Other guests

**PUBLIC COMMENT/VISITORS:** None

**BUSINESS ITEMS:**

**1. Capital Assets Policy**

Scott Czasak – City Manager & Michele Perry – Treasurer presented the Capital Assets Policy to the Policy Committee for their review. Discussion followed.

Policy Committee requested the following amendments: On page 4, Section C. Capitalization Thresholds, increase Infrastructure/Infrastructure Improvements to \$20,000.00 and remove line-item Leased Assets from this section.

**Motion by Campbell, seconded by Iseler to recommend to Council for approval the Capital Assets Policy with amendments.**

**Motion carried.**

**Adjournment**

**Motion by Iseler, seconded by Campbell to adjourn the meeting at 5:57 p.m. Motion carried.**



Rita Papp  
City Clerk

## Report Criteria:

Report type: GL detail  
Check.Type = {<>} "Adjustment"

GL Period	Check Issue Date	Check Number	Invoice GL Account	Amount
<b>ADVANCE AUTO PARTS</b>				
03/23	03/20/2023	76496	661-536-776-000	67.85
03/23	03/20/2023	76496	661-536-776-000	35.92
Total ADVANCE AUTO PARTS:				
Total 76496:				
<b>AED MARKET</b>				
03/23	03/20/2023	76497	536-652-835-000	3,398.00
Total AED MARKET:				
Total 76497:				
<b>AIR ADVANTAGE LLC</b>				
03/23	03/20/2023	76498	661-536-750-001	25.00
03/23	03/20/2023	76498	101-172-750-001	25.00
03/23	03/20/2023	76498	101-260-750-001	25.00
03/23	03/20/2023	76498	101-301-750-001	100.00
03/23	03/20/2023	76498	101-441-750-001	100.00
03/23	03/20/2023	76498	536-336-750-001	25.00
03/23	03/20/2023	76498	590-567-750-001	100.00
03/23	03/20/2023	76498	592-557-750-001	25.00
03/23	03/20/2023	76498	596-521-750-001	25.00
Total AIR ADVANTAGE LLC:				
Total 76498:				
<b>AMAZON CAPITAL SERVICES</b>				
03/23	03/20/2023	76499	101-260-740-000	22.88
03/23	03/20/2023	76499	101-191-740-000	13.98
03/23	03/20/2023	76499	101-301-744-000	104.99
03/23	03/20/2023	76499	101-172-740-000	28.43
03/23	03/20/2023	76499	101-253-740-000	28.47
03/23	03/20/2023	76499	101-260-740-000	28.43
03/23	03/20/2023	76499	101-265-776-000	28.43
03/23	03/20/2023	76499	536-336-740-000	28.43
03/23	03/20/2023	76499	101-301-740-000	28.43
03/23	03/20/2023	76499	590-567-740-000	28.43
03/23	03/20/2023	76499	592-557-776-000	28.43
03/23	03/20/2023	76499	202-483-740-000	28.43
03/23	03/20/2023	76499	203-483-740-000	28.43
03/23	03/20/2023	76499	242-728-740-000	28.43
03/23	03/20/2023	76499	101-441-776-000	28.43
03/23	03/20/2023	76499	101-260-740-000	26.94
03/23	03/20/2023	76499	101-253-740-000	150.70

M = Manual Check, V = Void Check

GL Period	Check Issue Date	Check Number	Invoice GL Account	Amount
03/23	03/20/2023	76505	596-521-750-001	100.00
			Total CIVICPLUS LLC:	900.00
			Total 76505:	900.00
<b>CLEARBROOKE TECHNOLOGIES</b>				
03/23	03/20/2023	76506	590-567-776-004	2,200.00
			Total CLEARBROOKE TECHNOLOGIES:	2,200.00
			Total 76506:	2,200.00
<b>DAVE'S GLASS</b>				
03/23	03/20/2023	76507	101-265-970-002	10,550.00
			Total DAVE'S GLASS:	10,550.00
			Total 76507:	10,550.00
<b>DTE ENERGY</b>				
03/23	03/20/2023	76508	101-441-926-000	4,719.00
03/23	03/20/2023	76508	590-568-920-000	50.98
03/23	03/20/2023	76508	590-568-920-000	93.64
03/23	03/20/2023	76508	590-568-920-000	21.30
			Total DTE ENERGY:	4,884.92
			Total 76508:	4,884.92
<b>EMTERRA ENVIRONMENTAL USA CORP</b>				
03/23	03/20/2023	76509	596-521-801-000	1,226.40
03/23	03/20/2023	76509	596-521-801-000	16,358.93
03/23	03/20/2023	76509	596-521-801-000	640.64
03/23	03/20/2023	76509	596-521-801-000	20,404.11
			Total EMTERRA ENVIRONMENTAL USA CORP:	38,630.08
			Total 76509:	38,630.08
<b>FERGUSON ENTERPRISES LLC #3326</b>				
03/23	03/20/2023	76510	101-265-776-000	356.27
			Total FERGUSON ENTERPRISES LLC #3326:	356.27
			Total 76510:	356.27
<b>FIFER INVESTIGATIONS LLC</b>				
03/23	03/20/2023	76511	590-567-801-000	550.00
			Total FIFER INVESTIGATIONS LLC:	550.00

GL Period	Check Issue Date	Check Number	Invoice GL Account	Amount
Total 76511:				550.00
<b>GAMBLES DO IT BEST HARDWARE</b>				
03/23	03/20/2023	76512	661-536-930-000	28.00
03/23	03/20/2023	76512	590-567-776-000	79.70
03/23	03/20/2023	76512	101-253-740-000	26.38
03/23	03/20/2023	76512	101-265-776-000	37.98
03/23	03/20/2023	76512	101-265-776-000	34.99
03/23	03/20/2023	76512	101-253-740-000	18.67
03/23	03/20/2023	76512	101-265-776-000	76.48
03/23	03/20/2023	76512	101-301-744-001	14.28
03/23	03/20/2023	76512	101-265-776-000	193.41
03/23	03/20/2023	76512	590-567-776-000	26.87
03/23	03/20/2023	76512	592-557-776-000	10.48
03/23	03/20/2023	76512	101-265-776-000	13.98
Total GAMBLES DO IT BEST HARDWARE:				561.22
Total 76512:				561.22
<b>GREAT LAKES PUBLIC SAFETY EQUIPMENT</b>				
03/23	03/20/2023	76513	536-336-740-000	216.00
Total GREAT LAKES PUBLIC SAFETY EQUIPMENT:				216.00
Total 76513:				216.00
<b>HILLS &amp; DALES GENERAL HOSPITAL</b>				
03/23	03/20/2023	76514	590-568-801-000	199.00
Total HILLS & DALES GENERAL HOSPITAL:				199.00
Total 76514:				199.00
<b>HIRSCHMAN OIL SUPPLY INC</b>				
03/23	03/20/2023	76515	661-536-860-000	545.76
03/23	03/20/2023	76515	661-536-860-000	537.12
03/23	03/20/2023	76515	661-536-860-000	722.91
03/23	03/20/2023	76515	661-536-860-000	697.18
Total HIRSCHMAN OIL SUPPLY INC:				2,502.97
Total 76515:				2,502.97
<b>HOLLOWAY FIRE PROTECTION INC</b>				
03/23	03/20/2023	76516	536-336-740-000	48.00
Total HOLLOWAY FIRE PROTECTION INC:				48.00
Total 76516:				48.00

GL Period	Check Issue Date	Check Number	Invoice GL Account	Amount
<b>HUBBELL, ROTH &amp; CLARK, INC</b>				
03/23	03/20/2023	76517	590-567-970-000	4,909.10
03/23	03/20/2023	76517	590-567-970-000	4,201.23
Total HUBBELL, ROTH & CLARK, INC:				
9,110.33				
Total 76517:				
9,110.33				
<b>JOHN DEERE FINANCIAL</b>				
03/23	03/20/2023	76518	592-557-776-000	223.51
Total JOHN DEERE FINANCIAL:				
223.51				
Total 76518:				
223.51				
<b>KEN MARTIN ELECTRIC, INC</b>				
03/23	03/20/2023	76519	590-568-970-000	50,000.00
03/23	03/20/2023	76519	101-265-970-002	372.50
Total KEN MARTIN ELECTRIC, INC:				
50,372.50				
Total 76519:				
50,372.50				
<b>KRISTAL'S HELPING HAND LLC</b>				
03/23	03/20/2023	76520	101-441-801-002	138.34
03/23	03/20/2023	76520	536-336-801-002	54.14
03/23	03/20/2023	76520	101-301-801-002	108.34
03/23	03/20/2023	76520	101-260-801-002	100.28
03/23	03/20/2023	76520	101-172-801-002	100.28
03/23	03/20/2023	76520	101-253-801-002	100.28
03/23	03/20/2023	76520	590-567-801-002	108.34
Total KRISTAL'S HELPING HAND LLC:				
710.00				
Total 76520:				
710.00				
<b>MEDLER ELECTRIC COMPANY</b>				
03/23	03/20/2023	76521	590-568-776-000	896.46
Total MEDLER ELECTRIC COMPANY:				
896.46				
Total 76521:				
896.46				
<b>MICHIGAN MUNICIPAL RISK MGMT AUTH</b>				
03/23	03/20/2023	76522	101-172-914-000	30,224.00
03/23	03/20/2023	76522	101-172-914-000	6,500.00
Total MICHIGAN MUNICIPAL RISK MGMT AUTH:				
36,724.00				
Total 76522:				
36,724.00				

GL Period	Check Issue Date	Check Number	Invoice GL Account	Amount
<b>MICHIGAN RURAL WATER ASSOCIATION</b>				
03/23	03/20/2023	76523	592-557-801-000	382.50
03/23	03/20/2023	76523	590-567-801-000	743.75
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			<b>Total MICHIGAN RURAL WATER ASSOCIATION:</b>	<b>1,126.25</b>
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			<b>Total 76523:</b>	<b>1,126.25</b>
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<b>MICHIGAN STATE POLICE</b>				
03/23	03/20/2023	76524	101-301-750-001	33.00
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			<b>Total MICHIGAN STATE POLICE:</b>	<b>33.00</b>
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			<b>Total 76524:</b>	<b>33.00</b>
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<b>PITNEY BOWES INC</b>				
03/23	03/20/2023	76525	661-536-750-001	50.80
03/23	03/20/2023	76525	101-172-750-001	25.40
03/23	03/20/2023	76525	101-260-750-001	25.40
03/23	03/20/2023	76525	101-301-750-001	25.40
03/23	03/20/2023	76525	101-441-750-001	25.40
03/23	03/20/2023	76525	536-336-750-001	25.40
03/23	03/20/2023	76525	590-567-750-001	127.00
03/23	03/20/2023	76525	592-557-750-001	127.00
03/23	03/20/2023	76525	596-521-750-001	76.16
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			<b>Total PITNEY BOWES INC:</b>	<b>507.96</b>
				<hr/>
			<b>Total 76525:</b>	<b>507.96</b>
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<b>PREMIER SAFETY</b>				
03/23	03/20/2023	76526	536-336-801-000	1,155.00
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			<b>Total PREMIER SAFETY:</b>	<b>1,155.00</b>
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			<b>Total 76526:</b>	<b>1,155.00</b>
				<hr/>
<b>R&amp;R TECHNICAL SERVICES</b>				
03/23	03/20/2023	76527	101-172-801-000	95.00
03/23	03/20/2023	76527	101-253-801-000	47.50
03/23	03/20/2023	76527	101-260-801-000	47.50
03/23	03/20/2023	76527	101-301-801-000	71.25
03/23	03/20/2023	76527	101-441-801-000	71.25
03/23	03/20/2023	76527	536-336-801-000	23.75
03/23	03/20/2023	76527	101-172-801-000	40.00
03/23	03/20/2023	76527	101-253-801-000	40.00
03/23	03/20/2023	76527	101-260-801-000	40.00
03/23	03/20/2023	76527	101-301-801-000	40.00
03/23	03/20/2023	76527	536-336-801-000	40.00
03/23	03/20/2023	76527	101-101-801-000	30.00
03/23	03/20/2023	76527	101-301-801-000	45.00
03/23	03/20/2023	76527	101-253-801-000	2.50

GL Period	Check Issue Date	Check Number	Invoice GL Account	Amount
03/23	03/20/2023	76527	101-260-801-000	2.50
03/23	03/20/2023	76527	590-567-801-000	5.00
03/23	03/20/2023	76527	101-101-801-000	90.00
03/23	03/20/2023	76527	101-260-801-000	37.50
03/23	03/20/2023	76527	101-301-801-000	15.00
03/23	03/20/2023	76527	101-441-801-000	30.00
03/23	03/20/2023	76527	536-336-801-000	15.00
03/23	03/20/2023	76527	590-567-801-000	15.00
03/23	03/20/2023	76527	592-557-801-000	30.00
03/23	03/20/2023	76527	590-567-853-000	20.45
03/23	03/20/2023	76527	592-557-853-000	20.45
03/23	03/20/2023	76527	596-483-853-000	20.45
03/23	03/20/2023	76527	661-536-853-000	55.00
03/23	03/20/2023	76527	101-172-801-000	45.00
03/23	03/20/2023	76527	101-253-801-000	37.50
03/23	03/20/2023	76527	101-301-853-000	20.45
03/23	03/20/2023	76527	202-483-853-000	20.45
03/23	03/20/2023	76527	203-483-853-000	20.45
03/23	03/20/2023	76527	204-483-853-000	20.45
03/23	03/20/2023	76527	242-728-853-000	55.00
03/23	03/20/2023	76527	536-336-853-000	55.00
03/23	03/20/2023	76527	101-253-853-000	27.50
03/23	03/20/2023	76527	101-260-853-000	27.50
03/23	03/20/2023	76527	101-371-853-000	20.50
03/23	03/20/2023	76527	101-410-853-000	20.45
03/23	03/20/2023	76527	101-441-853-000	20.45
03/23	03/20/2023	76527	101-748-853-000	20.45
03/23	03/20/2023	76527	590-567-801-000	47.50
03/23	03/20/2023	76527	592-557-801-000	47.50
03/23	03/20/2023	76527	596-521-801-000	23.75
03/23	03/20/2023	76527	101-265-801-000	42.00
03/23	03/20/2023	76527	101-691-801-000	15.00
03/23	03/20/2023	76527	101-172-853-000	55.00
Total R&R TECHNICAL SERVICES:				1,632.00
Total 76527:				1,632.00
<b>RASMUSSEN TRUCKING SERVICE CENTER LLC</b>				
03/23	03/20/2023	76528	661-536-930-000	635.87
Total RASMUSSEN TRUCKING SERVICE CENTER LLC:				635.87
Total 76528:				635.87
<b>RIDGECREST PRODUCTS INC</b>				
03/23	03/20/2023	76529	101-301-742-000	2,386.50
Total RIDGECREST PRODUCTS INC:				2,386.50
Total 76529:				2,386.50

GL Period	Check Issue Date	Check Number	Invoice GL Account	Amount
<b>ROWE PROFESSIONAL SVS COMP.</b>				
03/23	03/20/2023	76530	204-442-801-000	551.25
03/23	03/20/2023	76530	592-557-801-000	240.00
03/23	03/20/2023	76530	203-463-801-004	300.00
03/23	03/20/2023	76530	592-557-801-000	300.00
Total ROWE PROFESSIONAL SVS COMP.:				1,391.25
Total 76530:				1,391.25
<b>STAR OF THE WEST MILLING CO</b>				
03/23	03/20/2023	76531	590-567-776-000	619.65
Total STAR OF THE WEST MILLING CO:				619.65
Total 76531:				619.65
<b>STATE OF MICHIGAN - DHHS</b>				
03/23	03/20/2023	76532	590-567-920-000	678.14
Total STATE OF MICHIGAN - DHHS:				678.14
Total 76532:				678.14
<b>TEAM FINANCIAL GROUP</b>				
03/23	03/20/2023	76533	661-536-750-001	33.22
03/23	03/20/2023	76533	101-172-750-001	33.23
03/23	03/20/2023	76533	101-260-750-001	33.23
03/23	03/20/2023	76533	101-301-750-001	33.22
03/23	03/20/2023	76533	101-441-750-001	33.22
03/23	03/20/2023	76533	536-336-750-001	33.22
03/23	03/20/2023	76533	590-567-750-001	33.22
03/23	03/20/2023	76533	592-557-750-001	33.22
03/23	03/20/2023	76533	596-521-750-001	33.22
Total TEAM FINANCIAL GROUP:				299.00
Total 76533:				299.00
<b>THUMB CELLULAR</b>				
03/23	03/20/2023	76534	101-371-853-000	17.97
03/23	03/20/2023	76534	536-336-853-000	17.97
03/23	03/20/2023	76534	101-301-853-000	173.68
03/23	03/20/2023	76534	101-441-853-000	11.42
03/23	03/20/2023	76534	202-483-853-000	11.42
03/23	03/20/2023	76534	203-483-853-000	11.42
03/23	03/20/2023	76534	590-567-853-000	11.42
03/23	03/20/2023	76534	592-557-853-000	11.42
Total THUMB CELLULAR:				266.72

GL Period	Check Issue Date	Check Number	Invoice GL Account	Amount
Total 76534:				266.72
<b>THUMB OFFICE SUPPLY</b>				
03/23	03/20/2023	76535	101-441-776-000	119.98
03/23	03/20/2023	76535	101-172-740-000	54.54
03/23	03/20/2023	76535	101-260-740-000	54.54
03/23	03/20/2023	76535	101-253-740-000	54.54
03/23	03/20/2023	76535	590-567-776-002	54.54
03/23	03/20/2023	76535	592-557-776-000	54.54
03/23	03/20/2023	76535	596-521-740-000	54.54
03/23	03/20/2023	76535	661-536-776-000	54.54
03/23	03/20/2023	76535	101-441-776-001	54.53
03/23	03/20/2023	76535	101-371-740-000	54.53
03/23	03/20/2023	76535	536-336-740-000	54.53
03/23	03/20/2023	76535	242-728-740-000	54.53
Total THUMB OFFICE SUPPLY:				719.88
Total 76535:				719.88
<b>THUMB WELDING SUPPLY</b>				
03/23	03/20/2023	76536	101-265-776-000	144.51
Total THUMB WELDING SUPPLY:				144.51
Total 76536:				144.51
<b>TRACE ANALYTICAL LABORATORIES, INC</b>				
03/23	03/20/2023	76537	592-557-801-000	492.00
Total TRACE ANALYTICAL LABORATORIES, INC:				492.00
Total 76537:				492.00
<b>TUSCOLA CO. DRAIN COMMISSION</b>				
03/23	03/20/2023	76538	101-172-801-000	172.50
03/23	03/20/2023	76538	101-172-801-000	13.60
Total TUSCOLA CO. DRAIN COMMISSION:				186.10
Total 76538:				186.10
<b>TUSCOLA CO. REGISTER OF DEEDS</b>				
03/23	03/20/2023	76539	101-172-801-000	30.00
Total TUSCOLA CO. REGISTER OF DEEDS:				30.00
Total 76539:				30.00
<b>TUSCOLA COUNTY ADVERTISER</b>				
03/23	03/20/2023	76540	101-260-900-000	702.00
03/23	03/20/2023	76540	101-260-900-000	65.00

GL Period	Check Issue Date	Check Number	Invoice GL Account	Amount
03/23	03/20/2023	76540	101-260-900-000	702.00
03/23	03/20/2023	76540	101-260-900-000	65.00
03/23	03/20/2023	76540	101-260-900-000	702.00
03/23	03/20/2023	76540	101-247-900-000	312.00
03/23	03/20/2023	76540	101-260-900-000	702.00
03/23	03/20/2023	76540	101-247-900-000	312.00
03/23	03/20/2023	76540	101-260-900-000	702.00
03/23	03/20/2023	76540	101-260-900-000	702.00
Total TUSCOLA COUNTY ADVERTISER:				4,966.00
Total 76540:				4,966.00
<b>TUSCOLA COUNTY TREASURER</b>				
03/23	03/20/2023	76541	101-000-425-003	207.50
Total TUSCOLA COUNTY TREASURER:				207.50
Total 76541:				207.50
<b>UIS SCADA</b>				
03/23	03/20/2023	76542	592-557-801-000	8,055.00
Total UIS SCADA:				8,055.00
Total 76542:				8,055.00
<b>UNIFIRST CORPORATION</b>				
03/23	03/20/2023	76543	101-265-776-000	38.15
03/23	03/20/2023	76543	536-336-740-000	25.75
03/23	03/20/2023	76543	590-567-776-000	21.64
03/23	03/20/2023	76543	101-265-776-000	21.00
03/23	03/20/2023	76543	101-265-776-000	23.00
Total UNIFIRST CORPORATION:				129.54
Total 76543:				129.54
<b>USA BLUEBOOK</b>				
03/23	03/20/2023	76544	101-265-776-000	79.69
03/23	03/20/2023	76544	590-567-776-001	1,648.83
03/23	03/20/2023	76544	590-567-776-001	495.25
Total USA BLUEBOOK:				2,223.77
Total 76544:				2,223.77
<b>WATER SOLUTIONS UNLIMITED</b>				
03/23	03/20/2023	76545	592-557-776-000	4,177.00
03/23	03/20/2023	76545	590-567-776-004	987.50

### Report Criteria:

Report type: GL detail  
Check.Type = {<>} "Adjustment"

# CITY OF CARO

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BOB ESCHENBACHER  
DON HALL  
PAMELA ISELER  
CHARLOTTE KISH  
JILL WHITE

To: Caro City Council, Caro City Manager  
From: Brian Newcomb, Chief of Police  
Regarding: Month end report, February, 2023  
Date: March 6, 2023

## POLICE REPORTS

Police Complaints received for February 2023-173 dispatched complaints

Comparison-  
January 2023- 215 dispatched complaints  
December 2022-185 dispatched complaints  
February 2022- 157 dispatched complaints

## MILEAGE

February 2023- 3286 miles

## GASOLINE

February 2023-273.83 gallons

ABANDONED VEHICLE	1
ALARM	8
ANIMAL AT LARGE	2
ASSAULT	3
ASSIST DHHS	1
ASSIST FIRE	2
ASSIST MMR	11
ASSIST OTHER PD	4
ASSIST THUMB NARCOTICS	1
ASSIST TUSH IN CARO	3
ATL	1
B&E	2
CITIZEN ASSIST	3
CIVIL	6
CONDITIONAL BOND VIOLATION	2
CSC	3
DISORDERLY	3
DWLS	2
EMBEZZLEMENT	1
FALSE PERSONATION	1
FELONIOUS ASSAULT	1
FOUND PROPERTY	3
GENERAL	1
HARASSMENT	1
HIT AND RUN PDA	3
INSURANCE	3
LARCENY	5
LIQUOR INSPECTION	15
MDOP	5
MENTAL HEALTH CALL	2
MIP-VAPE	4
MISSING JUVENILE	1
MUTUAL AID	2
NARCOTICS	1
NATURAL DEATH	2
OPEN DOOR	1
OWI	1
PDA	11
PROBATION VIOLATION	1
RETAIL FRAUD	15
RUNAWAY	1
SINKHOLE IN ROADWAY	1
SUICIDAL PERSON	1
SUSPICIOUS SITUATION	13
THREATS TO ATTY GENERAL	1
THREATS TO COURTHOUSE	1
TRAFFIC POLICING	4

TUSH COLWOOD AT GEORGE PIA  
TUSH 2222 MERTZ DOMESTIC

TRESPASS	1
VERBAL DOMESTIC	7
VIN INSPECTION	1
WARRANT ARREST	3
WELFARE CHECK	7
WITNESS INTIMIDATION	1

# VEHICLE MAINTENANCE RECORD FOR CAR 1

TOTAL MAINTENANCE COSTS		YEAR:	2015	MAKE:	FORD	MODEL:	SUV	LICENSE:	023X391	VIN NO.:	1FM5K8AR5FGB83483		
		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Enter Starting Vehicle Mileage		80,934	81,982	82,531									
Enter Vehicle Mileage at End of Month		81,982											
Monthly Mileage Totals		1,048	549		0	0	0	0	0	0	0	0	0
Total Mileage for Year		1,597											
Maintenance Cost Per Mile		\$1.95											
<b>VEHICLE MAINTENANCE COSTS</b>													
<b>TYPE OF SERVICE</b>													
Oil & Filter Change													
Air Filter Change													
Fuel Filter Change													
Transmission Fluid & Filter													
Engine Coolant													
Cooling System Flush													
Tire Repair or Replacement													
Tire Rotation or Balance													
Hose Replacement													
Brake Repair													
Engine Tune-Up													
Front End Alignment													
Power Steering / Brake Fluid													
A/C or Heater Repair													
Replace Belts													
Electrical Repairs													
Battery Replacement													
Battery Cables / Terminals													
Headlights or Light Bulbs													
Windshield Wiper Blades													
Wash & Wax													
<b>MISCELLANEOUS SERVICE</b>													
TIRE SIZE													
245 55R18 M&S													
<b>TOTAL MONTHLY MAINTENANCE COSTS</b>	\$0.00	\$3,117.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	<b>TOTAL \$3,117.02</b>

# VEHICLE MAINTENANCE RECORD FOR CAR 2

TOTAL MAINTENANCE COSTS		YEAR:	2013	MAKE:	FORD	MODEL:	SUV	LICENSE	VIN NO.	1FM5K8A0DGC06925				
		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Sep-23	Nov-23	Dec-23
Enter Starting Vehicle Mileage		110,076	110,297											
Enter Vehicle Mileage at End of Month		110,297	111,109											
Monthly Mileage Totals		221	812	0	0	0	0	0	0	0	0	0	0	0
Total Mileage for Year		1,033												
Maintenance Cost Per Mile		\$1.55												
VEHICLE MAINTENANCE COSTS														
TYPE OF SERVICE														
Oil & Filter Change														
Air Filter Change														
Fuel Filter Change														
Transmission Fluid & Filter														
Engine Coolant														
Cooling System Flush														
Tire Repair or Replacement														
Tire Rotation or Balance														
Hose Replacement														
Brake Repair														
Engine Tune-Up														
Front End Alignment														
Power Steering / Brake Fluid														
A/C or Heater Repair														
Replace Belts														
Electrical Repairs														
Battery Replacement														
Battery Cables / Terminals														
Headlights or Light Bulbs														
Windshield Wiper Blades														
Wash & Wax														
Miscellaneous Service														
<b>TOTAL MONTHLY MAINTENANCE COSTS</b>		<b>\$1,362.02</b>		<b>\$239.99</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>
<b>TOTAL</b>														<b>\$1,602.01</b>

# VEHICLE MAINTENANCE RECORD FOR CAR 3

TOTAL MAINTENANCE COSTS		YEAR:	MAKE:	MODEL:	SUV	LICENSE:	VIN NO.:	1FM5K8AR3HGC07315				
Enter Starting Vehicle Mileage	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
52,817	54,534											
Enter Vehicle Mileage at End of Month	54,534	55,655										
Monthly Mileage Totals	1,717		0		0	0	0	0	0	0	0	0
Total Mileage for Year	2,838											
Maintenance Cost Per Mile	\$0.13											
VEHICLE MAINTENANCE COSTS												
TYPE OF SERVICE												
Oil & Filter Change												
Air Filter Change												
Fuel Filter Change												
Transmission Fluid & Filter												
Engine Coolant												
Cooling System Flush												
Tire Repair or Replacement												
Tire Rotation or Balance												
Hose Replacement												
Brake Repair												
Engine Tune-Up	\$368.79											
Front End Alignment												
Power Steering / Brake Fluid												
A/C or Heater Repair												
Replace Belts												
Electrical Repairs												
Battery Replacement												
Battery Cables / Terminals												
Headlights or Light Bulbs												
Windshield Wiper Blades												
Wash & Wax												
Miscellaneous Service	\$0.00											
<b>TOTAL MONTHLY MAINTENANCE COSTS</b>	<b">\$368.79</b">											
<b>Tire Size=245/55R18</b>												
<b>MILLARS TIRES BAY CITY</b>												

# VEHICLE MAINTENANCE RECORD FOR CAR 464

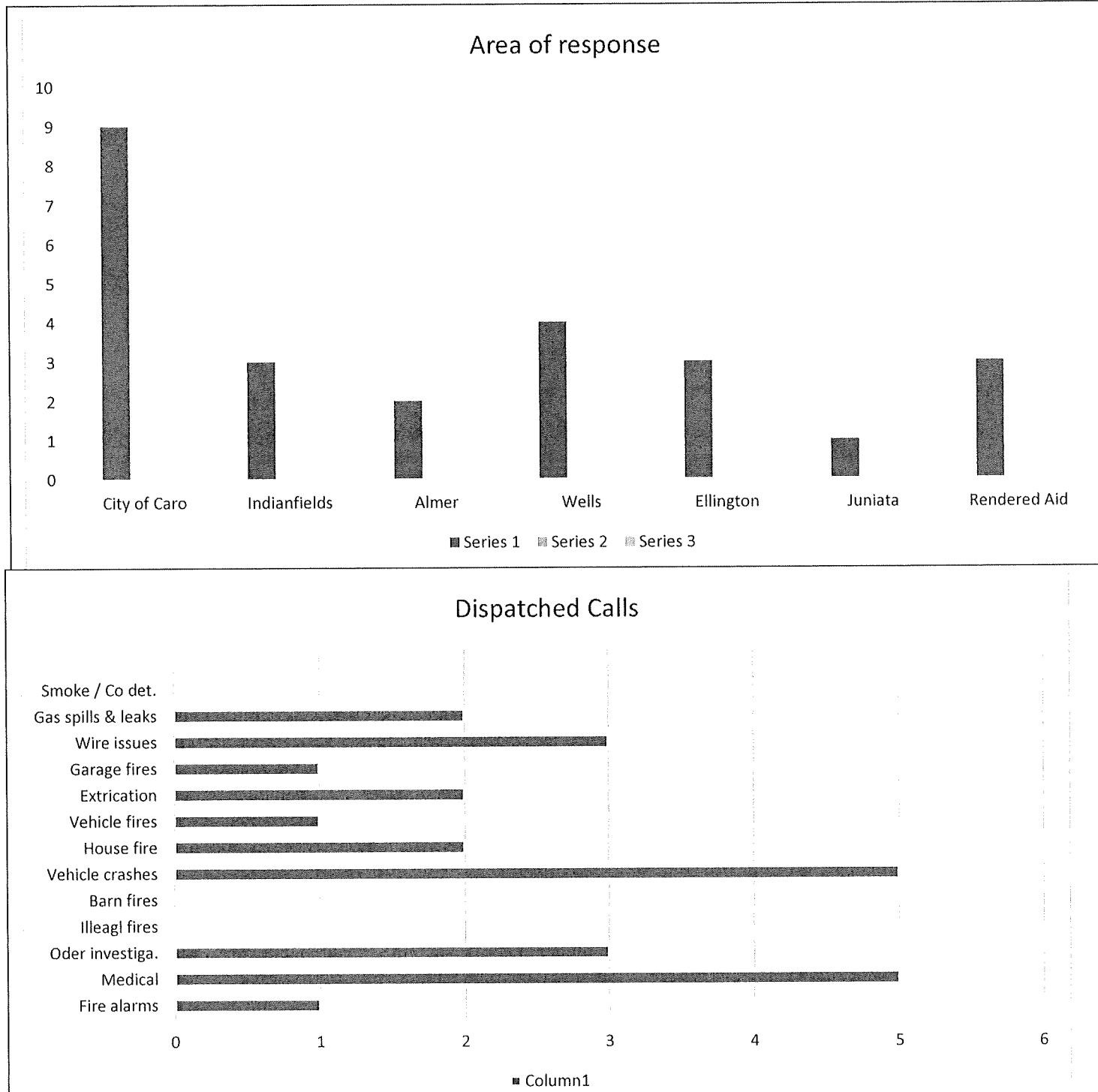
TOTAL MAINTENANCE COSTS		YEAR:	2019	MAKE	DODGE	MODEL	DURANGO	LICENSE	023X394	VIN NO	1C4RDJFG1KC708488	Dec-23
Enter Starting Vehicle Mileage		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23
Enter Vehicle Mileage at End of Month		15,147	15,855									
Monthly Mileage Totals		15,855	16,659									
Total Mileage for Year		7,08	804									
Maintenance Cost Per Mile		\$0.04										
VEHICLE MAINTENANCE COSTS												
TYPE OF SERVICE		\$65.96										
Oil & Filter Change												
Air Filter Change												
Fuel Filter Change												
Transmission Fluid & Filter												
Engine Coolant												
Cooling System Flush												
Tire Repair or Replacement												
Tire Rotation or Balance												
Hose Replacement												
Brake Repair												
Engine Tune-Up												
Front End Alignment												
Power Steering / Brake Fluid												
A/C or Heater Repair												
Replace Belts												
Electrical Repairs												
Battery Replacement												
Battery Cables / Terminals												
Headlights or Light Bulbs												
Windshield Wiper Blades												
Wash & Wax												
Tie Rods/Alignment												
Muffler												
Tow/Wrecker Service												
Miscellaneous Service												
TOTAL MONTHLY MAINTENANCE COSTS												
\$65.96		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



# CITY OF CARO FIRE DEPARTMENT

## March 2023 Council Fire report

February 2023 monthly review



City of Caro	House fire	
Ellington Twp.	Rollover vehicle crash with extrication	
Fairgrove Fire Dept.	Garage fire	
City of Caro	Medical assist	
Wells Twp.	Medical assist	
City of Caro	False fire alarm	
City of Caro	Gas leak investigation	
Ellington Twp.	Vehicle fire	
Unionville Fire Dept.	House fire	
City of Caro	Odor investigation	
Wells twp.	Wire issues	
Wells Twp.	Wire issues	
Almer Twp.	Single vehicle crash	
City of Caro	Medical assist	
City of Caro	2-Vehicle crash	
City of Caro	2-Vehicle crash	
Indianfields Twp.	Power lines down	
City of Caro	Gas leak	
Indianfields Twp.	Medical assist	
Ellington Twp.	2-vehicle crash with extrication	
Wells Twp.	Vehicle crash	





## CITY OF CARO FIRE DEPARTMENT

March 2023 Council Fire report

February 2023 monthly review

- Caro Fire Dept. is in the final stages of taking possession of the Aerial Ladder truck
- 
- The Caro Fire Department answered 25 calls in the month of February 2023
- The Medical First Responder project should start towards the end of March 2023
- 5 Firefighters are enrolled in the Instructor I course, taught through the State Fire Training Council. This class is a prerequisite for the Fire Officer class.
- The department held its monthly training on Ice Water Rescue & Mass Casualty events

Respectfully submitted,

Randall Heckroth, City of Caro Fire Chief



# CITY OF CARO CODE ENFORCEMENT

March 2023 Council Code report

February 2023 monthly review

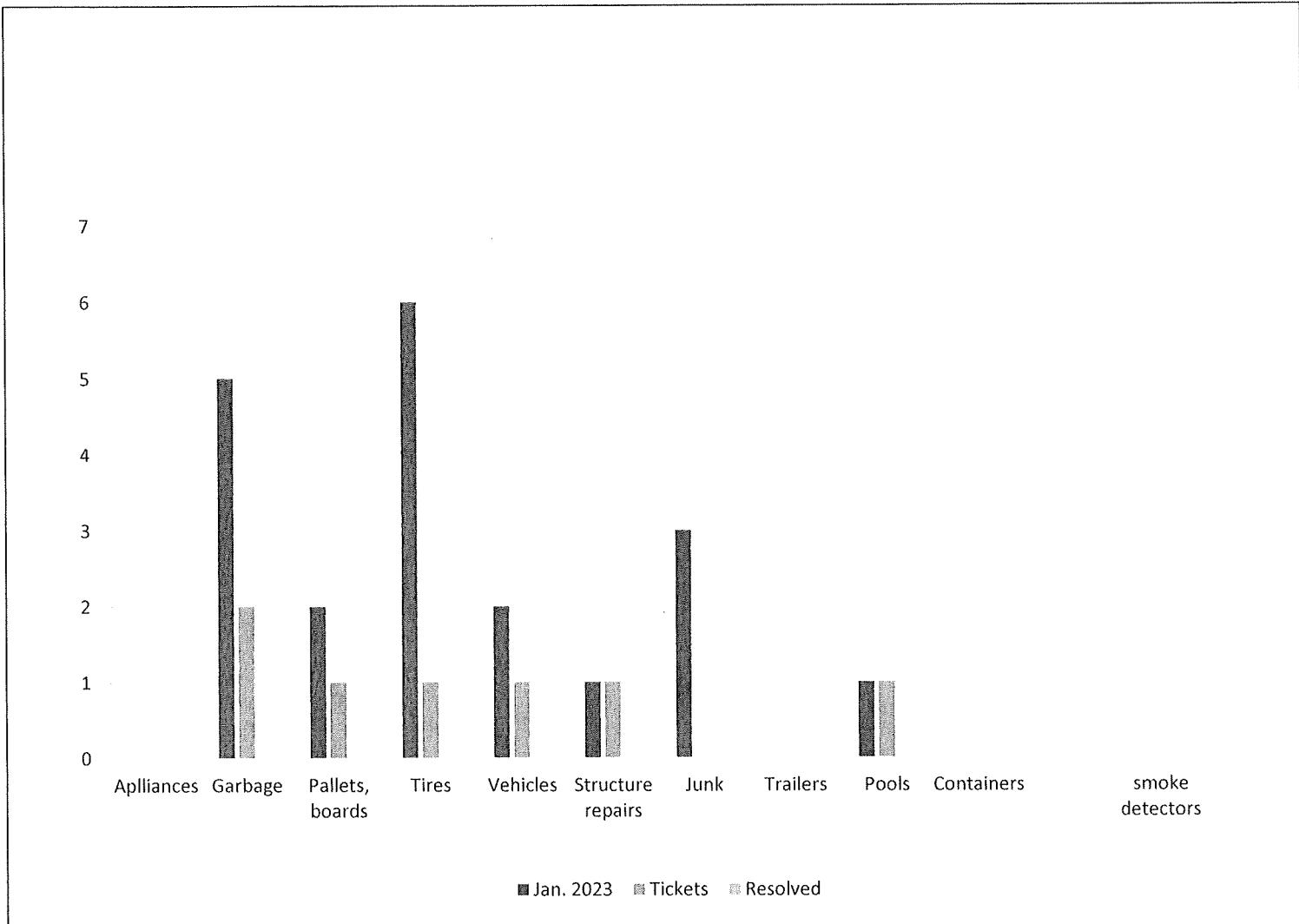


## CITY OF CARO CODE ENFORCEMENT

March 2023 Council Code report

February 2023 monthly review

Page 2 of 2



Monthly total tickets issued, \$2700.00

Monthly total blights, 19

Monthly cases resolved, 0

Top 3-Violations for February 2023 #1 Tires #2 Garbage #3 yard junk

# CITY OF CARO

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LAURA GENOVICH

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JILL WHITE

## MEMORANDUM

**To:** Scott Czasak & City Council  
**From:** Tom Reese Director of Public Works  
**Date:** March 20<sup>th</sup>, 2023  
**Re:** February Monthly report

---

### ACTIVITY

- Daily well checks.
- We have done 16 MISS DIG tickets.
- We have completed over 21 work orders. This is a breakdown of what was done:
  - 8 Final reads
  - 5 discolored/rusty/smell/low pressure
  - 1 Water turn off/on
  - 1 sewer/jetting
  - 1 Plugged storm drain
  - 1 Resident question
  - 2 Consumption questions
  - 1 Farmers market/Dir. Of development
  - 1 Miscellaneous garbage
- The guys capped Well#3 water line.
- The guys started doing weekly checks on the dumpster enclosers.
- Trash downtown and in parks.
- Had a meter meeting with Michigan pipe and valve.
- Had a staff meeting with Scott.
- We had a few snow events this month where the guys had to come in and plow.
- The guys cleaned snow from downtown.
- We hung shades at city hall.
- We pumped the arsenic pit down.
- We have been manually backwashing the arsenic plant 3 times a week.
- The guys helped wastewater at LS#3
- Evean built a stand for new safe at city hall and installed it.
- Got ice maker ready for return.
- The guys did some cold patching around town.  
Evean fixed the trash wagon lights.
- Evean and Tyler fixed the 20' landscape trailer.  
The guys started reading meters.
- Checked on roof leak at city hall photos included in memo.
- Replaced lights in men's bathroom at city hall.

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- Working with Mike C and the engineer for the man door and garage doors at the fire hall.
- Working on budget with Michelle.
- Even built a salt pusher for the loader.

- UP COMING PROJECTS
- Tornado siren relocation once frost laws lift.

## ATTACHMENTS

# CITY OF CARO

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**TO:** Scott Czasak, City Manager and Caro City Council  
**FROM:** David Dienes, Superintendent W.W.T.P.  
**SUBJECT:** March 2023 Report  
**DATE:** March 15, 2023

**FOR THE AGENDA OF: March 20, 2023**

---

#### **TREATMENT SYSTEM PREVENTATIVE & REGULATORY&CORRECTIVE**

- Our Permit required monthly Discharge Monitoring Report for February 2023 was sent electronically via MiEnviro to the EGLE.
- We set up and ran the Cities Drinking water samples for February 2023.
- The clarifiers are hosed down or power washed down weekly.
- The Chlorine contact chamber is being hosed down, or power washed and flushed weekly.
- Ran portable pumps for 10 minutes this month.
- The plant generator and lift stations generators were exercised this month.
- We relinquished another 5 raw water samples to SVSU for COVID-19 test
- Work continued on lift station #3 upgrade.
- Lift stations 6,9,10,11 had new backup generators delivered and installed.
- The portable 4" trash pump has been repaired and is ready for use.
- Biosolids sample came back with acceptable limits for April hauling.
- Superintendent David Dienes continues to familiarize himself with his new surroundings.

# Memorandum

**To:** City Council

**From:** Rita Papp

**Date:** March 10, 2023

**Re:** Municipal Parking Violations Report, February 2023

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<b>No Parking 2 a.m. – 5 a.m.</b>	<b>Municipal Parking Violations Written</b>	1
-----------------------------------	---	---

	<b>Warnings</b>	1
--	-----------------	---

	<b>2<sup>nd</sup> Offense</b>	0
--	-------------------------------	---

	<b>3<sup>rd</sup>, 4<sup>th</sup> &amp; 5<sup>th</sup> Offense</b>	0
--	--	---

	<b>6<sup>th</sup> &amp; 7<sup>th</sup> Offense</b>	0
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<b>2 Hour Downtown Parking</b>	<b>Municipal Parking Violations Written</b>	0
--------------------------------	---	---

	<b>Warnings</b>	0
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	<b>2<sup>nd</sup> Offense</b>	0
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	<b>3<sup>rd</sup> Offense</b>	0
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	<b>4<sup>th</sup> Offense</b>	0
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<b>Other Ordinance __</b>	<b>Municipal Parking Violations Written</b>	0
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	<b>Warnings</b>	0
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	<b>2<sup>nd</sup> Offense</b>	0
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	<b>3<sup>rd</sup> Offense</b>	0
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	<b>4<sup>th</sup> Offense</b>	0
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	<b>5<sup>th</sup> Offense</b>	0
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# CITY OF CARO

CITY MANAGER  
SCOTT CZASAK  
CITY CLERK  
RITA PAPP  
CITY TREASURER  
MICHELE PERRY  
CITY ATTORNEY  
LAURA GENOVICH

317 South State Street  
Caro MI 48723  
Phone 989-673-2226  
Fax 989-673-7310  
Website [www.carocity.net](http://www.carocity.net)

MAYOR  
KAREN SNIDER  
CITY COUNCIL  
EMILY CAMPBELL  
BOB ESCHENBACHER  
PAMELA ISELER  
CHARLOTTE KISH  
JILL WHITE

## Memorandum

**TO: City Manager, City Council**

**From: Lauren M. Amellal; Director of Development & Strategic Initiatives**

**Date: March 15, 2023**

**RE: Department Report**

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### Activity:

- Co-Presented Tuscola Food Access Collaborative Annual Report to the Caro Rotary Club on February 20, 2023 with MSU Extension Supervisor, Karly Creguer.
- Coordinated with Chairman Sean Smith and City staff to facilitate Parks & Recreation Committee meeting on February 21, 2023. Prepared Minutes.
- Working on Parks & Rec objectives and assisting with several subcommittee efforts: SPARK GRANT, Wayfinding signs, Easter, Spring Cleanup and Summer Kick Off events.
- Approved rental of State Street Square for Tuscola Safe Built event on April 10<sup>th</sup>. Event will be open to the public from Noon – 3:30 pm and will feature Farm 2 You Food Truck.
- Applied for Food Safety Education Grant from the Michigan Farmers Market Association to provide educational opportunities at The Caro Farmers Market in 2023. Received notice of selection as a grant recipient.
- Met with MSU Extension Food Safety Educator to develop food safety events at the Caro Farmers Market.
- Assisted in developing DDA Budget for fiscal year 2023-2024.
- Met with Tom Reese and Mike Bauerschmidt to discuss DDA/DPW seasonal staff.
- Coordinated with Chairman Bauerschmidt and City staff to facilitate Special DDA Meeting, March 1, 2023. Prepared Minutes.
- Coordinated with Chairman Bauerschmidt and City staff to facilitate Regular DDA Meeting March 8<sup>th</sup>, 2023. Prepared Minutes and worked on objectives.
- Began Downtown Beautification Sponsorship campaign for flowerpots. Program brought in \$800.00 in the first week.
- Continuing to work with community volunteers to develop Music in the Park events.
- Hosted Caro Farmers Market Vendor Open House & Registration Event at the City of Caro Fire Hall on March 4, 2023.
- Updated Caro Farmers Market program partner, event sponsorship and vendor application forms for the 2023 season. Began campaign to secure volunteers and program partners to support Caro Farmers Market events in 2023.
- Met with and registered 29 farmers market vendors securing \$4,915.00 in DDA revenue.
- Attended Michigan Farmers Market Association Annual Conference at MSU in East Lansing on March 6<sup>th</sup> & 7<sup>th</sup>, 2023.
- Continued Michigan Downtown Association training modules for MiPDM certification program to benefit DDA & City of Caro.
- Attended LAMP Grant webinar presented by USDA in hopes of securing funds for the Caro Farmers Market programs and events.

# CITY OF CARO

CITY MANAGER  
SCOTT R. CZASAK  
CITY CLERK  
RITA PAPP  
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## MEMORANDUM

**TO:** City Council  
**FROM:** Michele Perry, City Treasurer  
**DATE:** March 13, 2023  
**RE:** Resolution for Financing Used Fire Truck

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### Information

At the June 6, 2022 meeting the council budgeted to purchase a used Aerial Ladder Fire Truck in the amount of \$400,000.00 and that the purchase would be financed.

At the February 20, 2023, the council passed the motion below:

**23-M-44**

**Motion by Eschenbacher, seconded by Campbell to authorize the City Treasurer Perry to finance the 2009 Pierce Velocity 100' Quint with Independent Bank in the amount of \$400,000.00 for 10 years with annual payments starting December 1, 2023, and interest rate to be determined at time of application but not to exceed 5.50%. If the interest rate is higher than 5.50% this will come back to council for approval and to approve City Clerk Papp to sign the loan application.**

**Roll call vote: Iseler – yes, Kish – yes, White – yes, Campbell – yes, Eschenbacher – yes, Hall – yes, Mayor Snider – yes.**

**Motion carried.**

City Manager Czasak and myself have worked with Scott Hogan of Foster Swift Collins & Smith PC the City's attorney to write up the Installment Purchase Agreement and Note for the fire truck purchase. The Installment Purchase Agreement was also sent to Independent Bank for their approval.

### Recommendation:

It is my recommendation that the City Council adopt the Resolution Authorizing Execution and Delivery of an Installment Purchase Agreement and Note (Fire Truck Purchase) to Independent Bank. The Resolution Authorizes the financing of the 2009 Pierce Velocity 100" Quint fire truck with Independent Bank in the amount of \$400,000 at an interest rate of 5.05% with a term of not more than eleven (11) years.

### Action:

Option 1: Adopt the Resolution Authorizing Execution and Delivery of an Installment Purchase Agreement and Note (Fire Truck Purchase) with Independent Bank. Also, authorize Mayor Snider and City Treasurer Perry to sign all necessary documents.

Option 2: City Council to not adopt the Resolution Authorizing Execution and Delivery of an Installment Purchase Agreement and Note (Fire Truck Purchase) with Independent Bank.

**INDEX OF DOCUMENTS  
FOR  
INSTALLMENT PURCHASE AGREEMENT AND NOTE  
(CITY OF CARO FIRE TRUCK PURCHASE)**

**CLOSING: MARCH 31, 2023**

1. Resolution Authorizing Execution and Delivery of an Installment Purchase Agreement and Note, and Authorizing Reimbursements
2. Installment Purchase Agreement
3. Installment Note
4. Assignment Agreement Relating to Obligations of City of Caro to Independent Bank
5. Non-Arbitrage and Tax Compliance Certificate
6. Act 99 Certificate
7. Form 8038-G Information Return for Tax-Exempt Governmental Obligations
8. Opinion Letter
9. General Certificate

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**CITY OF CARO**

**RESOLUTION NO. 23 - \_\_\_\_\_**

**RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF AN  
INSTALLMENT PURCHASE AGREEMENT AND NOTE  
(FIRE TRUCK PURCHASE)**

At a meeting of the City Council (the "City Council") of the City of Caro, County of Tuscola, State of Michigan (the "City"), 317 S. State Street, Caro, Michigan 48723 (the "City") held at the City at the foregoing address on the 20th day of March, 2023, at 6:30 p.m.

PRESENT: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

The following preamble and resolution were offered by \_\_\_\_\_ and seconded by \_\_\_\_\_.

WHEREAS, the City desires to purchase for public purposes a 2009 Pierce Velocity 100' Quint, Stock No. 16304, VIN: 4P1CV01E29A009967 fire truck ("Fire Truck"); and

WHEREAS, to finance, in part, the cost of purchasing the Fire Truck, the City deems it necessary to borrow the sum of Four Hundred Thousand Dollars (\$400,000); and

WHEREAS, the Installment Purchase Act, Act 99 of 1933, as amended ("Act 99"), authorizes the City to enter into agreements for the purchase of property and equipment for public purposes, to be paid for in installments; and

WHEREAS, the City has received from Independent Bank (the "Bank") a proposal for financing in part the purchase of the Fire Truck; and

WHEREAS, the City has determined that the proposal received from the Bank is the best and most appropriate proposal; and

WHEREAS, the City has entered into a contract for the purchase of the Fire Truck with Brindlee Mountain Fire Apparatus (the "Contractor"), 15410 Highway 231, Union Grove, Alabama 35175 pursuant to a contract dated on or about February 24, 2023, as may have been amended; and

WHEREAS, the Bank has agreed to finance in part the purchase of the Fire Truck by entering into an Installment Purchase Agreement and Note pursuant to which the City will make payments of principal and interest to the Bank; and

WHEREAS, the outstanding borrowed money under Act 99 of the City does not exceed 1.25% of the taxable valuation of the taxable property within the City.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The purchase of the Fire Truck is found to be a public purpose and in the best interests of the health, safety and welfare of the City and the public.

2. The City approves the proposal of the Bank and authorizes and directs the Mayor and the Treasurer, or their designees, to execute the Installment Purchase Agreement and the Note (collectively the "IPA Documents"), in substantially the forms attached hereto as Exhibit 1, in the principal amount of \$400,000 with an interest rate on the principal amount outstanding of 5.05% per annum and with a term of not more than eleven (11) years, as finally determined by the Mayor and Treasurer.

3. The obligation of the City to make the principal and interest payments pursuant to the IPA Documents is the general obligation of the City, and the City hereby pledges its general obligation, limited tax, full faith and credit, to the payment of principal and interest on the IPA Documents, subject to constitutional and statutory limitations.

4. The City hereby covenants and agrees for the benefit of the Bank and any assigns that the City will comply with all applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code") and, except as required by law, will take no action and will not omit to take any action which in either case would cause the interest portion of the payments on the IPA Documents ("Installment Payments") to be included in the gross income of the Bank for federal income tax purposes or cause the IPA Documents to be "arbitrage bonds" as defined in Section 148 of the Code and any successor provision, act or statute and the regulations from time to time promulgated or proposed thereunder. The City will take such actions as are permitted by law relating to any required rebate of arbitrage earnings and the expenditure and investment of IPA Note proceeds and moneys deemed to be IPA Note proceeds, and to prevent the IPA Note from being or becoming "private activity bonds" as that term is used in Section 141 of the Code.

5. The City hereby designates the IPA Documents and the Installment Payments as "qualified tax-exempt obligations" for the purpose of Section 265(b)(3)(B) of the Code.

6. The proceeds of the IPA Documents shall be used by the City to pay the costs of purchasing the Fire Truck, including to the Contractor and for related purposes.

7. If the installments under the IPA Documents are found by the Internal Revenue Service or other competent authority not to be qualified tax exempt obligations, then, if permitted by law, the interest rate on the indebtedness under the IPA Documents may be adjusted, and the City Manager, working with the Bank, shall adjust the IPA Documents and the Installment Payments accordingly, and the City Mayor and the City Treasurer, or their designees, are

authorized to execute new IPA Documents to reflect the adjusted interest rate. If not permitted by law to be so adjusted, then upon 30 days' written notice to City from Bank, all indebtedness under the IPA Documents shall be due and payable in full.

8. The authority granted herein shall not be construed to require the City to levy taxes in excess of any constitutional or statutory limitations.

9. The Mayor and Treasurer, or their designees, are hereby authorized to do all acts and things, and to execute the IPA Documents and any documents or certificates as may be necessary or desirable including, but not limited to, approving immaterial revisions to the IPA Documents (the material terms are limited to the amount borrowed, the interest rate and the maturity period) and related documents, and to deliver such documents to the parties to effectuate the transactions described in the IPA Documents.

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

ADOPTED:

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

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

STATE OF MICHIGAN      )  
                                  ) ss.  
COUNTY OF TUSCOLA      )

I, the undersigned, the duly qualified and acting Mayor of the City of Caro, Tuscola County, Michigan, DO HEREBY CERTIFY that the foregoing is a true and complete copy of certain proceedings taken by the City Council at a meeting held on the 20th day of March, 2023.

---

Karen Snider, Mayor

Resolution No. 23 - \_\_\_\_\_

Resolution Authorizing Execution and Delivery of an IPA and Note

March 20, 2023

Page 4 of 4

# **EXHIBIT 1**

## **(Specimen-Installment Purchase Agreement)**

**CITY OF CARO  
(TUSCOLA COUNTY, MICHIGAN)**

**INSTALLMENT PURCHASE AGREEMENT  
(ACT 99 OF 1933, AS AMENDED)**

This Installment Purchase Agreement (the "Agreement") is effective March 31, 2023 by and between City of Caro, County of Tuscola, State of Michigan (the "City"), a Michigan municipal corporation, whose address is 317 S. State Street, Caro, Michigan 48723 and Independent Bank (the "Bank"), a state banking association, whose address is 4200 E. Beltline Avenue, N.E., Grand Rapids, Michigan 49525.

**WITNESSETH**

WHEREAS, the City intends to purchase a fire truck from Brindlee Mountain Fire Apparatus (the "Fire Truck") for public purposes; and

WHEREAS, the City desires to pay for the Fire Truck in part by installments as authorized by Act 99 of the Public Acts of Michigan of 1933, as amended ("Act 99"); and

WHEREAS, the Bank is willing to provide a portion of the required funding that will enable the City to purchase the Fire Truck, to be repaid pursuant to the terms and conditions of this Agreement.

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

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

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

"IPA" or "Agreement" means this Installment Purchase Agreement.

"Bank" means Independent Bank, a state banking association, 4200 E. Beltline Avenue, N.E., Grand Rapids, Michigan 49525.

"Fire Truck" means a 2009 Pierce Velocity 100' Quint, Stock No. 16304, VIN: 4P1CV01E29A009967.

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

"Installment Purchase Amount" means the amount borrowed from the Bank pursuant to

this Agreement, excluding the payment of interest, in the amount of \$400,000.

"Interest Rate" means an interest rate of 5.05% per annum for ten (10) years computed on the basis of a 30/360 month/year, assuming annual payment periods.

"City" means the City of Caro, of 317 S. State Street, Caro, Michigan 48723.

"Note" or "Installment Note" means the note evidencing the City's obligation to repay the Installment Purchase Amount with interest at the Interest Rate, substantially as set forth on Exhibit A attached hereto.

"Installment Payment" or "Payment" means the payment of a principal and/or interest installment in accordance with the Note.

"Payment Date" means the date a Payment is due and payable in accordance with the Note. The first Payment Date shall be April 1, 2024, and subsequent Payment Dates shall be on each April 1st thereafter for nine (9) more years.

"Prepayment Amount" means the amount due after a scheduled payment is made in accordance with the Note.

"Purchase Agreement" means the contract for the purchase of the Fire Truck including agreements between the City and Brindlee Mountain Fire Apparatus (the "Contractor"), evidencing the obligation of the City to purchase the Fire Truck.

"Security Documents" means all security agreements, guaranties, mortgages, pledge agreements, assignments and all other agreements and instruments that the City or any third party has given or in the future gives to the Bank relating to the debt evidenced by the Note. The Bank shall have all of the rights and powers set forth in the Security Documents and in any other written agreements that the City has given or in the future gives to the Bank, as though they were fully set forth in the Note.

"State" means the State of Michigan.

2. Installment Payments. The Bank, upon execution of the Agreement, agrees to pay the Installment Purchase Amount to the City in immediately available funds and the City agrees to pay to the Bank the annual Payments of principal and interest on the Payment Dates in accordance with the Note, as set forth on Schedule 1 attached to the Note. In addition, the City shall pay interest on the unpaid balance of the Installment Purchase Amount to the Bank as the assignee of the Purchase Agreement in accordance with Section 4 hereof, at the Interest Rate, from the date funds are disbursed by the Bank to the City, computed on the basis of a 30/360 month/year. The Note may be prepaid in whole or in part at any time without penalty on or after April 1, 2030.

3. Installment Purchase Amount. The City agrees to purchase the Fire Truck as

provided in the Purchase Agreement. The Installment Purchase Amount is to be paid to the Contractor by the City and funded by the Bank. The City shall pay Installment Payments, as determined by the Purchase Agreement and related documents.

4. Assignment of Purchase Agreement Payments. To the extent necessary, the City hereby consents to the assignment of its payment obligations under the Purchase Agreement and related documents from the Contractor to the Bank, and the Bank has executed and accepted the Assignment of the Purchase Agreement and related documents, except with respect to any and all work to be performed by Contractor and all warranties, indemnifications, representations, and other obligations of the Contractor set forth in the Purchase Agreement, all of which shall remain the sole obligation and responsibility of the Contractor to the City.

5. Nature of Interest. The City and the Bank acknowledge that this transaction is authorized by Act 99, and acknowledge their intention that because the City's obligation hereunder is a purchase money obligation of a Michigan city that is backed by its general obligation, limited tax, full faith and credit, the interest to be paid to the Bank hereunder and under the Note shall be excludable from gross income for purposes of federal income tax. The City shall provide the Bank with an opinion of its counsel, Foster, Swift, Collins & Smith, PC, whose address is 1700 E. Beltline Avenue NE, Suite 200, Grand Rapids, Michigan 49525, in a form acceptable to the Bank.

6. Payments Unconditional. The City's obligation to the Bank to pay the Payments and any other amounts owed pursuant to the Note is absolute and unconditional and shall remain in full force and effect until the amounts owed under the Note shall have been paid, and such obligation shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation, any of the following:

- (a) Any failure of title with respect to the City's interest in the Fire Truck;
- (b) The invalidity, unenforceability or termination of this Agreement;
- (c) The modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in this Agreement;
- (d) The voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization arrangement, composition with creditors or readjustment or other similar proceedings affecting the City or any of its assets or any allocation or contest of the validity of this Agreement or the Note, or the disaffirmance of this Agreement or the Note in any such proceeding;
- (e) To the extent permitted by law, any event or action which would, in the absence of this clause, result in release or discharge by operation of law of

the City from the performance or observation of any obligation, covenant or agreement contained in this Agreement or the Purchase Agreement;

- (f) The default or failure of the Contractor to perform fully any of its obligations set forth in its Purchase Agreement with the City or any other agreement; or
- (g) Any casualty or destruction of the Fire Truck.

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

7. Title to the Fire Truck. Upon delivery to and acceptance by the City, title to the Fire Truck shall vest in the City, free and clear of any lien or other security interest.

8. Useful Life of the Fire Truck. The City represents that the useful life of the Fire Truck is equal to or longer than the period ending on the scheduled date of the final Payment on the Note.

9. Security for Payment: Limited Tax, Full Faith and Credit. The City agrees to include in its budget for each fiscal year during the term hereof an amount sufficient to pay when due the Payments coming due under this Agreement during such fiscal year. As stated in the Resolution, the City has pledged its limited tax, full faith and credit to payment of the Payments, subject to constitutional and statutory limitations.

10. No Security Interest in Fire Truck. The Bank shall have no security interest in the Fire Truck.

11. Term of Agreement. This Agreement shall terminate on the final Payment Date of the Note, or such earlier date that all amounts due to the Bank hereunder and under the Note are paid in full by the City.

12. Representations of the City. The City makes the following representations:

- (a) The City is a Michigan municipal corporation duly organized and legally existing under the Constitution and laws of the state of Michigan.
- (b) The City will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a Michigan city.
- (c) The City is authorized under the constitution and laws of the State to enter into this Agreement and the transactions contemplated hereby and to

perform all of its obligations hereunder.

- (d) This Agreement constitutes a legal, valid, binding and enforceable obligation of the City in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.
- (e) The City's name indicated in the opening paragraph and on the signature page of the Agreement is its true, correct, and complete legal name.
- (f) During the term of this Agreement, the Fire Truck will be used by the City only for the purpose of performing one or more governmental public functions of the City consistent with the permissible scope of the City's authority.
- (g) The City will provide the Bank with such information regarding its financial affairs and condition as the Bank may reasonably request from time to time, including but not limited to the general fund budget, as adopted and amended for the current fiscal year; and audited financial statements as and when prepared by a CPA (not less often than every other year), including a balance sheet, statement of revenue and expenditures and cash flow, and such other comments and financial details customarily seen in such reports.
- (h) Neither the making of the Payments under the Note nor any portion thereof is directly or indirectly (a) secured by any interest in (i) property used or to be used for a private business use within the meaning of Section 141(b) of the Code or (ii) payments in respect to such property, or (b) to be derived from payments (whether or not to the City) in respect of property, or borrowed money, used or to be used for a private business use within the meaning of Section 141(b).
- (i) The City has designated the Payments under the Note to be "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code.

13. Representations of the Bank. The Bank makes the following representations:

- (a) It has the legal capacity to execute this Agreement and to carry out its obligations and undertakings hereunder and the persons executing the Agreement on its behalf have been duly authorized to do so.
- (b) This Agreement is valid, binding and enforceable in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

14. Additional Representations by the City. The City has executed a Purchase Agreement and related documents which set forth and shall govern the payments to be made to the Contractor from the City as funded in whole or in part by the Installment Purchase Amount.

15. Event of Taxability. If an Event of Taxability shall occur, as hereinafter defined, then, if permitted by law, the interest rate on the indebtedness under the IPA Documents may be adjusted as the City Manager, working with the Bank, shall adjust the IPA Documents and the Installment Payments accordingly, and the City Mayor and City Treasurer are authorized to execute new IPA Documents to reflect the adjusted interest rate; if not permitted by law, then upon the Event of Taxability and 30 days' written notice to City, all indebtedness hereunder shall be due and payable in full. An "Event of Taxability" shall mean the issuance of a statutory Notice of Deficiency by the Internal Revenue Service or a ruling of the National Office of the Internal Revenue Service, or a final decision of a court of competent jurisdiction, which hold in effect that, by reason of the City's violation or failure to comply with any applicable provision of the Code, the payments of interest under the Note are includable in the gross income of the Bank for federal income tax purposes.

16. Disclaimer of Warranties by Bank. The Bank makes no warranty or representation, express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Fire Truck, or warranty with respect thereto. In no event shall the Bank be liable for any incidental, indirect, special, or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or the City's use of the Fire Truck.

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

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

- (a) Failure by the City to make the Payments at the times specified in the Note and such failure continues for 30 days after written notice from the Bank to the City; or
- (b) Failure of the City to observe and perform any other covenant, condition or agreement on its part to be observed or performed, and continuation of such failure for a period of 30 days after written notice specifying such failure and requesting that it be remedied; provided, however, it shall not constitute an Event of Default if corrective action is instituted by the City within such period and diligently pursued until corrected; or
- (c) The City shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) commence a proceeding under any federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed or unstayed for 60 days; (iii) make an assignment for the benefit of creditors or provide for the entry into any agreement for the composition of creditors; or (iv) have applied for the appointment of a receiver, purchaser or liquidator for it or the whole or any substantial part of its property; or
- (d) The City shall materially breach any representation or warranty under this Agreement.

19. Remedies Upon Default. Whenever an Event of Default above shall occur, the Bank may:

- (a) declare all of the unpaid principal and interest on the Note to be immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived; and
- (b) take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement.

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

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

21. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when dispatched by registered or certified mail, return receipt requested, postage prepaid, by hand delivery, or by nationally recognized overnight delivery service, addressed as follows:

If to the City:

City of Caro  
317 S. State Street  
Caro, Michigan 48723  
Attn: City Treasurer

With a copy to:

FOSTER, SWIFT, COLLINS & SMITH, PC  
1700 E. Beltline Avenue NE, Suite 200  
Grand Rapids, Michigan 49525  
Attn: Scott H. Hogan, Esq.

If to the Bank:

Independent Bank  
4200 E. Beltline Avenue, N.E.  
Grand Rapids, Michigan 45925

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

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

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

24. Binding Effect. The covenants in this Agreement shall bind, and the benefits and advantages shall inure to, the parties and their successors and assigns.

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

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

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

28. Amendments. Neither this Agreement nor the Note may be effectively amended, changed, modified, altered or terminated without the prior written consent of the City and the Bank.

IN WITNESS WHEREOF, the City and the Bank have caused this Agreement to be signed all as of the day and year first above written.

**CITY OF CARO**

By: \_\_\_\_\_  
Karen Snider  
Its: Mayor

By: \_\_\_\_\_  
Michele Perry  
Its: Treasurer

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[BANK'S SIGNATURE PAGE AND EXHIBIT TO FOLLOW]

**INDEPENDENT BANK**

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

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

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[EXHIBIT TO FOLLOW]

# **EXHIBIT A**

## **(Specimen-Installment Note)**

87253:00001:6960144-1

**CITY OF CARO  
(TUSCOLA COUNTY, MICHIGAN)**

**INSTALLMENT NOTE**

Principal Amount: \$400,000

Interest Rate: 5.05%

Issue Date: March 31, 2023

Maturity Date: April 1, 2033

Tax ID No.: 38-6004542

City of Caro, Tuscola County, Michigan (the "City"), a Michigan municipal corporation, of 317 S. State Street, Caro, Michigan 48723, hereby acknowledges itself indebted and for value received promises to pay to Independent Bank (the "Bank"), a state banking association, of 4200 E. Beltline Avenue, N.E., Grand Rapids, Michigan 49525, or its assigns, the principal sum of Four Hundred Thousand Dollars (\$400,000), together with interest thereon at the rate of 5.05% per annum from the date hereof. All Payments shall be made on the Payment Dates set forth on Schedule 1 attached hereto and made a part hereof. Payments on this Note are payable in lawful money of the United States of America at the Bank.

Interest on this Note shall be calculated on the basis of a 30/360 month/year, and is due annually in arrears. The principal and interest on this Note may be prepaid in whole or in part at any time on or after April 1, 2030.

If an Event of Taxability shall occur, as defined in the Installment Purchase Agreement (the "IPA") dated as of March 31, 2023, by and between the City and the Bank, then not later than 30 days following receipt from the Bank of written notice that an Event of Taxability may pay to the Bank payments adjusted as agreed by the parties as described in the IPA and if permitted by law. Defined terms in the IPA shall have the same meanings as in this Note. If any installment of principal or interest is not paid when due, then the City shall immediately pay to the holder of this Note a late charge in an amount equal to five percent (5%) of each installment which is received by the Bank more than ten (10) days after the due date. This is in addition to the Bank's other rights and remedies for default in payment of an installment of interest or principal when due.

Each of the following shall be an event of default under this Note if such event shall continue for 30 days after written notice from Bank to the City: (a) if default occurs in the payment of any installment of principal or interest hereunder or of any late charge, out-of-pocket expense, or loan processing fee at any time owing to Bank or any affiliate Bank under this Note or if there occurs any other event of default under the IPA or any other loan agreement or other document between Bank and the City; (b) if any warranty or representation made to Bank or any affiliate of Bank by the City in this Note, in the IPA or in any financial statement, loan

application or other document given to Bank, shall have been false in any material respect; (c) if the City shall dissolve, become insolvent, or make an assignment for the benefit of creditors; (d) if any levy, writ of attachment, garnishment, execution or similar process shall be issued against or placed upon any property of the City, or as otherwise specified in the IPA. Upon the occurrence of any event of default, all or any part of the indebtedness evidenced hereby and all or any part of all other indebtedness and obligations then owing by the City to Bank or any affiliate of Bank shall, at the option of Bank or any affiliate of Bank, become immediately due and payable without further notice or demand. If a voluntary or involuntary case in bankruptcy, receivership or insolvency shall at any time be commenced by or against the City, or if any attachment, garnishment, execution, levy or similar process shall at any time be placed upon any deposit account at any time maintained with Bank by the City, then all such indebtedness and obligations shall automatically become immediately due and payable. All or any part of the indebtedness evidenced hereby also may become, or may be declared to be, immediately due and payable under the terms and conditions contained in any loan agreement, Security Documents or other agreement heretofore or hereafter entered into between the City and Bank or any affiliate of Bank.

Bank shall have the right at any time to set off any indebtedness that Bank then owes to the City (including any deposit account) against any indebtedness evidenced by this Note that is then due and payable, provided that the City is in default hereunder.

This Note was authorized to be issued as part of an installment purchase agreement in accordance with the provisions of Act No. 99 of the Public Acts of Michigan of 1933, as amended, which provides a means by which the City may enter into agreements for the purchase of land, property or equipment for public purposes, to be paid for in installments. The obligation of the City to make the principal and interest payments under this Note is a general obligation of the City, and the City has pledged its limited tax, full faith and credit, general obligation to the payment of principal and interest on this Note, as and when due, subject to constitutional and statutory limitations.

This Note is subject to prepayment in whole or in part before the Maturity Date without penalty at any time on or after April 1, 2030.

The City has designated the Payments under this Note to be qualified tax-exempt obligations for the purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to the issuance of this Note, existed, happened and have been performed in the time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the amount of this Note, together with all other indebtedness of the City, does not exceed any constitutional or statutory limitations.

The holder of this Note shall have all rights and remedies provided under the laws of the State of Michigan and under any agreement of the City with Bank. The City shall reimburse the holder of this Note for any and all expenses, including reasonable attorney fees and legal expenses, that the holder pays or incurs in protecting and enforcing the rights of and obligations to the holder under any provision of this Note.

A delay by the holder of this Note in the exercise of any right or remedy shall not be considered a waiver of it. A single or partial exercise by the holder of any right or remedy shall not preclude any other or future exercise of it or the exercise of any other right or remedy. A waiver by the holder of any default or of any provision of this Note shall not be effective unless it is in writing and signed by the holder. A waiver of any right or remedy on one occasion shall not be a waiver of that right or remedy on any future occasion.

The City waives demand for payment, presentment, notice of dishonor and protest of this Note and waives all defenses based on suretyship or impairment of collateral. The City also consents to any extension or postponement of time of payment of this Note, to any substitution, exchange or release of all or any part of any security given to secure it, to the addition of any party to it and to the release, discharge, waiver, modification or suspension of any rights or remedies against any person liable for the indebtedness that this Note evidences.

This Note shall be governed by and interpreted according to the laws of the State of Michigan, without giving effect to conflict of laws rules.

IN WITNESS WHEREOF, the City Council of the City of Caro has caused this Note to be signed in its name by its Mayor and Treasurer.

**CITY OF CARO**

By: \_\_\_\_\_  
Karen Snider  
Its: Mayor

By: \_\_\_\_\_  
Michele Perry  
Its: Treasurer

# **SCHEDULE 1**

## **(Payment Dates)**

**“See Attached”**

87253:00001:6960269-1

City of Caro MI  
Installment Purchase Agreement 2023

Balance 400,000.00  
Term 10 years Callable at par after 7 years  
Rate 5.05%  
Payment 51,927.69  
Dated 3/31/2023

<u>Pmt #</u>	<u>Due Date</u>	<u>Beg balance</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Ending balance</u>
1	4/1/2024	400,000.00	51,983.80	31,727.69	20,256.11	368,272.31
2	4/1/2025	368,272.31	51,927.69	33,329.93	18,597.75	334,942.38
3	4/1/2026	334,942.38	51,927.69	35,013.10	16,914.59	299,929.28
4	4/1/2027	299,929.28	51,927.69	36,781.26	15,146.43	263,148.02
5	4/1/2028	263,148.02	51,927.69	38,638.71	13,288.98	224,509.31
6	4/1/2029	224,509.31	51,927.69	40,589.97	11,337.72	183,919.35
7	4/1/2030	183,919.35	51,927.69	42,639.76	9,287.93	141,279.59
8	4/1/2031	141,279.59	51,927.69	44,793.07	7,134.62	96,486.52
9	4/1/2032	96,486.52	51,927.69	47,055.12	4,872.57	49,431.40
10	4/1/2033	49,431.40	51,927.69	49,431.40	2,496.29	0.00
				400,000.00		

2

**CITY OF CARO  
(TUSCOLA COUNTY, MICHIGAN)**

**INSTALLMENT PURCHASE AGREEMENT  
(ACT 99 OF 1933, AS AMENDED)**

This Installment Purchase Agreement (the "Agreement") is effective March 31, 2023 by and between City of Caro, County of Tuscola, State of Michigan (the "City"), a Michigan municipal corporation, whose address is 317 S. State Street, Caro, Michigan 48723 and Independent Bank (the "Bank"), a state banking association, whose address is 4200 E. Beltline Avenue, N.E., Grand Rapids, Michigan 49525.

**WITNESSETH**

WHEREAS, the City intends to purchase a fire truck from Brindlee Mountain Fire Apparatus (the "Fire Truck") for public purposes; and

WHEREAS, the City desires to pay for the Fire Truck in part by installments as authorized by Act 99 of the Public Acts of Michigan of 1933, as amended ("Act 99"); and

WHEREAS, the Bank is willing to provide a portion of the required funding that will enable the City to purchase the Fire Truck, to be repaid pursuant to the terms and conditions of this Agreement.

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

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

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

"IPA" or "Agreement" means this Installment Purchase Agreement.

"Bank" means Independent Bank, a state banking association, 4200 E. Beltline Avenue, N.E., Grand Rapids, Michigan 49525.

"Fire Truck" means a 2009 Pierce Velocity 100' Quint, Stock No. 16304, VIN: 4P1CV01E29A009967.

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

"Installment Purchase Amount" means the amount borrowed from the Bank pursuant to this Agreement, excluding the payment of interest, in the amount of \$400,000.

"Interest Rate" means an interest rate of 5.05% per annum for ten (10) years computed on the basis of a 30/360 month/year, assuming annual payment periods.

"City" means the City of Caro, of 317 S. State Street, Caro, Michigan 48723.

"Note" or "Installment Note" means the note evidencing the City's obligation to repay the Installment Purchase Amount with interest at the Interest Rate, substantially as set forth on Exhibit A attached hereto.

"Installment Payment" or "Payment" means the payment of a principal and/or interest installment in accordance with the Note.

"Payment Date" means the date a Payment is due and payable in accordance with the Note. The first Payment Date shall be April 1, 2024, and subsequent Payment Dates shall be on each April 1st thereafter for nine (9) more years.

"Prepayment Amount" means the amount due after a scheduled payment is made in accordance with the Note.

"Purchase Agreement" means the contract for the purchase of the Fire Truck including agreements between the City and Brindlee Mountain Fire Apparatus (the "Contractor"), evidencing the obligation of the City to purchase the Fire Truck.

"Security Documents" means all security agreements, guaranties, mortgages, pledge agreements, assignments and all other agreements and instruments that the City or any third party has given or in the future gives to the Bank relating to the debt evidenced by the Note. The Bank shall have all of the rights and powers set forth in the Security Documents and in any other written agreements that the City has given or in the future gives to the Bank, as though they were fully set forth in the Note.

"State" means the State of Michigan.

2. Installment Payments. The Bank, upon execution of the Agreement, agrees to pay the Installment Purchase Amount to the City in immediately available funds and the City agrees to pay to the Bank the annual Payments of principal and interest on the Payment Dates in accordance with the Note, as set forth on Schedule 1 attached to the Note. In addition, the City shall pay interest on the unpaid balance of the Installment Purchase Amount to the Bank as the assignee of the Purchase Agreement in accordance with Section 4 hereof, at the Interest Rate, from the date funds are disbursed by the Bank to the City, computed on the basis of a 30/360 month/year. The Note may be prepaid in whole or in part at any time without penalty on or after April 1, 2030.

3. Installment Purchase Amount. The City agrees to purchase the Fire Truck as provided in the Purchase Agreement. The Installment Purchase Amount is to be paid to the Contractor by the City and funded by the Bank. The City shall pay Installment Payments, as

determined by the Purchase Agreement and related documents.

4. Assignment of Purchase Agreement Payments. To the extent necessary, the City hereby consents to the assignment of its payment obligations under the Purchase Agreement and related documents from the Contractor to the Bank, and the Bank has executed and accepted the Assignment of the Purchase Agreement and related documents, except with respect to any and all work to be performed by Contractor and all warranties, indemnifications, representations, and other obligations of the Contractor set forth in the Purchase Agreement, all of which shall remain the sole obligation and responsibility of the Contractor to the City.

5. Nature of Interest. The City and the Bank acknowledge that this transaction is authorized by Act 99, and acknowledge their intention that because the City's obligation hereunder is a purchase money obligation of a Michigan city that is backed by its general obligation, limited tax, full faith and credit, the interest to be paid to the Bank hereunder and under the Note shall be excludable from gross income for purposes of federal income tax. The City shall provide the Bank with an opinion of its counsel, Foster, Swift, Collins & Smith, PC, whose address is 1700 E. Beltline Avenue NE, Suite 200, Grand Rapids, Michigan 49525, in a form acceptable to the Bank.

6. Payments Unconditional. The City's obligation to the Bank to pay the Payments and any other amounts owed pursuant to the Note is absolute and unconditional and shall remain in full force and effect until the amounts owed under the Note shall have been paid, and such obligation shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation, any of the following:

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

- (f) The default or failure of the Contractor to perform fully any of its obligations set forth in its Purchase Agreement with the City or any other agreement; or
- (g) Any casualty or destruction of the Fire Truck.

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

7. Title to the Fire Truck. Upon delivery to and acceptance by the City, title to the Fire Truck shall vest in the City, free and clear of any lien or other security interest.

8. Useful Life of the Fire Truck. The City represents that the useful life of the Fire Truck is equal to or longer than the period ending on the scheduled date of the final Payment on the Note.

9. Security for Payment: Limited Tax, Full Faith and Credit. The City agrees to include in its budget for each fiscal year during the term hereof an amount sufficient to pay when due the Payments coming due under this Agreement during such fiscal year. As stated in the Resolution, the City has pledged its limited tax, full faith and credit to payment of the Payments, subject to constitutional and statutory limitations.

10. No Security Interest in Fire Truck. The Bank shall have no security interest in the Fire Truck.

11. Term of Agreement. This Agreement shall terminate on the final Payment Date of the Note, or such earlier date that all amounts due to the Bank hereunder and under the Note are paid in full by the City.

12. Representations of the City. The City makes the following representations:

- (a) The City is a Michigan municipal corporation duly organized and legally existing under the Constitution and laws of the state of Michigan.
- (b) The City will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a Michigan city.
- (c) The City is authorized under the constitution and laws of the State to enter into this Agreement and the transactions contemplated hereby and to perform all of its obligations hereunder.
- (d) This Agreement constitutes a legal, valid, binding and enforceable obligation of the City in accordance with its terms, except to the extent

limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

- (e) The City's name indicated in the opening paragraph and on the signature page of the Agreement is its true, correct, and complete legal name.
- (f) During the term of this Agreement, the Fire Truck will be used by the City only for the purpose of performing one or more governmental public functions of the City consistent with the permissible scope of the City's authority.
- (g) The City will provide the Bank with such information regarding its financial affairs and condition as the Bank may reasonably request from time to time, including but not limited to the general fund budget, as adopted and amended for the current fiscal year; and audited financial statements as and when prepared by a CPA (not less often than every other year), including a balance sheet, statement of revenue and expenditures and cash flow, and such other comments and financial details customarily seen in such reports.
- (h) Neither the making of the Payments under the Note nor any portion thereof is directly or indirectly (a) secured by any interest in (i) property used or to be used for a private business use within the meaning of Section 141(b) of the Code or (ii) payments in respect to such property, or (b) to be derived from payments (whether or not to the City) in respect of property, or borrowed money, used or to be used for a private business use within the meaning of Section 141(b).
- (i) The City has designated the Payments under the Note to be "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code.

13. Representations of the Bank. The Bank makes the following representations:

- (a) It has the legal capacity to execute this Agreement and to carry out its obligations and undertakings hereunder and the persons executing the Agreement on its behalf have been duly authorized to do so.
- (b) This Agreement is valid, binding and enforceable in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

14. Additional Representations by the City. The City has executed a Purchase Agreement and related documents which set forth and shall govern the payments to be made to the Contractor from the City as funded in whole or in part by the Installment Purchase Amount.

15. Event of Taxability. If an Event of Taxability shall occur, as hereinafter defined, then, if permitted by law, the interest rate on the indebtedness under the IPA Documents may be adjusted as the City Manager, working with the Bank, shall adjust the IPA Documents and the Installment Payments accordingly, and the City Mayor and City Treasurer are authorized to execute new IPA Documents to reflect the adjusted interest rate; if not permitted by law, then upon the Event of Taxability and 30 days' written notice to City, all indebtedness hereunder shall be due and payable in full. An "Event of Taxability" shall mean the issuance of a statutory Notice of Deficiency by the Internal Revenue Service or a ruling of the National Office of the Internal Revenue Service, or a final decision of a court of competent jurisdiction, which hold in effect that, by reason of the City's violation or failure to comply with any applicable provision of the Code, the payments of interest under the Note are includable in the gross income of the Bank for federal income tax purposes.

16. Disclaimer of Warranties by Bank. The Bank makes no warranty or representation, express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Fire Truck, or warranty with respect thereto. In no event shall the Bank be liable for any incidental, indirect, special, or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or the City's use of the Fire Truck.

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

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

- (a) Failure by the City to make the Payments at the times specified in the Note and such failure continues for 30 days after written notice from the Bank to the City; or
- (b) Failure of the City to observe and perform any other covenant, condition or agreement on its part to be observed or performed, and continuation of such failure for a period of 30 days after written notice specifying such failure and requesting that it be remedied; provided, however, it shall not constitute an Event of Default if corrective action is instituted by the City within such period and diligently pursued until corrected; or
- (c) The City shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) commence a proceeding under any federal or state

bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed or unstayed for 60 days; (iii) make an assignment for the benefit of creditors or provide for the entry into any agreement for the composition of creditors; or (iv) have applied for the appointment of a receiver, purchaser or liquidator for it or the whole or any substantial part of its property; or

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

19. Remedies Upon Default. Whenever an Event of Default above shall occur, the Bank may:

- (a) declare all of the unpaid principal and interest on the Note to be immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived; and
- (b) take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement.

20. Assignment. This Agreement and the Note, and the obligation of the City to make the Payments hereunder, may be assigned by the Bank and reassigned in whole or in part to one or more assignees at any time subsequent to its execution, without the necessity of obtaining the consent of the City. The Bank agrees to give notice of assignment to the City, and upon receipt of such notice the City agrees to make all payments to the assignee, notwithstanding any claim, defense, set off or counterclaim whatsoever (whether arising from a breach of this Agreement, the Note or otherwise) that the City may from time to time have against the Bank, or the assignee. The Bank's interest in this Agreement and the Note may not be assigned or reassigned in whole or in part unless (i) the document by which such assignment or reassignment is made discloses the name and address of the assignee, and (ii) the City receives written notification of the name and address of the assignee. The City hereby designates the Bank or its assignee as its agent to maintain a book entry system in conformance with Section 149(a) of the Code, consisting of a record of ownership that identifies the owner of any interest in the Agreement, which record may be examined by the City at its request. The right to payment of the amounts due hereunder and the Note may be transferred only through such book entry system. Anything in the foregoing to the contrary notwithstanding, the Bank's interest in this Agreement may be assigned in whole or in part upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for holders of certificates of participation in this Agreement.

21. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when dispatched by registered or certified mail, return receipt requested, postage prepaid, by hand delivery, or by nationally recognized overnight delivery service, addressed as follows:

If to the City:

City of Caro  
317 S. State Street  
Caro, Michigan 48723  
Attn: City Treasurer

With a copy to:

FOSTER, SWIFT, COLLINS & SMITH, PC  
1700 E. Beltline Avenue NE, Suite 200  
Grand Rapids, Michigan 49525  
Attn: Scott H. Hogan, Esq.

If to the Bank:

Independent Bank  
4200 E. Beltline Avenue, N.E.  
Grand Rapids, Michigan 45925

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

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

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

24. Binding Effect. The covenants in this Agreement shall bind, and the benefits and advantages shall inure to, the parties and their successors and assigns.

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

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

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

28. Amendments. Neither this Agreement nor the Note may be effectively amended, changed, modified, altered or terminated without the prior written consent of the City and the

Bank.

IN WITNESS WHEREOF, the City and the Bank have caused this Agreement to be signed all as of the day and year first above written.

**CITY OF CARO**

By: \_\_\_\_\_  
Karen Snider  
Its: Mayor

By: \_\_\_\_\_  
Michele Perry  
Its: Treasurer

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[BANK'S SIGNATURE PAGE AND EXHIBIT TO FOLLOW]

**INDEPENDENT BANK**

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

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

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[EXHIBIT TO FOLLOW]

# **EXHIBIT A**

## **(Specimen-Installment Note)**

87253:00001:6960144-1

**CITY OF CARO  
(TUSCOLA COUNTY, MICHIGAN)**

**INSTALLMENT NOTE**

Principal Amount: \$400,000

Interest Rate: 5.05%

Issue Date: March 31, 2023

Maturity Date: April 1, 2033

Tax ID No.: 38-6004542

City of Caro, Tuscola County, Michigan (the "City"), a Michigan municipal corporation, of 317 S. State Street, Caro, Michigan 48723, hereby acknowledges itself indebted and for value received promises to pay to Independent Bank (the "Bank"), a state banking association, of 4200 E. Beltline Avenue, N.E., Grand Rapids, Michigan 49525, or its assigns, the principal sum of Four Hundred Thousand Dollars (\$400,000), together with interest thereon at the rate of 5.05% per annum from the date hereof. All Payments shall be made on the Payment Dates set forth on Schedule 1 attached hereto and made a part hereof. Payments on this Note are payable in lawful money of the United States of America at the Bank.

Interest on this Note shall be calculated on the basis of a 30/360 month/year, and is due annually in arrears. The principal and interest on this Note may be prepaid in whole or in part at any time on or after April 1, 2030.

If an Event of Taxability shall occur, as defined in the Installment Purchase Agreement (the "IPA") dated as of March 31, 2023, by and between the City and the Bank, then not later than 30 days following receipt from the Bank of written notice that an Event of Taxability may pay to the Bank payments adjusted as agreed by the parties as described in the IPA and if permitted by law. Defined terms in the IPA shall have the same meanings as in this Note. If any installment of principal or interest is not paid when due, then the City shall immediately pay to the holder of this Note a late charge in an amount equal to five percent (5%) of each installment which is received by the Bank more than ten (10) days after the due date. This is in addition to the Bank's other rights and remedies for default in payment of an installment of interest or principal when due.

Each of the following shall be an event of default under this Note if such event shall continue for 30 days after written notice from Bank to the City: (a) if default occurs in the payment of any installment of principal or interest hereunder or of any late charge, out-of-pocket expense, or loan processing fee at any time owing to Bank or any affiliate Bank under this Note or if there occurs any other event of default under the IPA or any other loan agreement or other document between Bank and the City; (b) if any warranty or representation made to Bank or any affiliate of Bank by the City in this Note, in the IPA or in any financial statement, loan

application or other document given to Bank, shall have been false in any material respect; (c) if the City shall dissolve, become insolvent, or make an assignment for the benefit of creditors; (d) if any levy, writ of attachment, garnishment, execution or similar process shall be issued against or placed upon any property of the City, or as otherwise specified in the IPA. Upon the occurrence of any event of default, all or any part of the indebtedness evidenced hereby and all or any part of all other indebtedness and obligations then owing by the City to Bank or any affiliate of Bank shall, at the option of Bank or any affiliate of Bank, become immediately due and payable without further notice or demand. If a voluntary or involuntary case in bankruptcy, receivership or insolvency shall at any time be commenced by or against the City, or if any attachment, garnishment, execution, levy or similar process shall at any time be placed upon any deposit account at any time maintained with Bank by the City, then all such indebtedness and obligations shall automatically become immediately due and payable. All or any part of the indebtedness evidenced hereby also may become, or may be declared to be, immediately due and payable under the terms and conditions contained in any loan agreement, Security Documents or other agreement heretofore or hereafter entered into between the City and Bank or any affiliate of Bank.

Bank shall have the right at any time to set off any indebtedness that Bank then owes to the City (including any deposit account) against any indebtedness evidenced by this Note that is then due and payable, provided that the City is in default hereunder.

This Note was authorized to be issued as part of an installment purchase agreement in accordance with the provisions of Act No. 99 of the Public Acts of Michigan of 1933, as amended, which provides a means by which the City may enter into agreements for the purchase of land, property or equipment for public purposes, to be paid for in installments. The obligation of the City to make the principal and interest payments under this Note is a general obligation of the City, and the City has pledged its limited tax, full faith and credit, general obligation to the payment of principal and interest on this Note, as and when due, subject to constitutional and statutory limitations.

This Note is subject to prepayment in whole or in part before the Maturity Date without penalty at any time on or after April 1, 2030.

The City has designated the Payments under this Note to be qualified tax-exempt obligations for the purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to the issuance of this Note, existed, happened and have been performed in the time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the amount of this Note, together with all other indebtedness of the City, does not exceed any constitutional or statutory limitations.

The holder of this Note shall have all rights and remedies provided under the laws of the State of Michigan and under any agreement of the City with Bank. The City shall reimburse the holder of this Note for any and all expenses, including reasonable attorney fees and legal expenses, that the holder pays or incurs in protecting and enforcing the rights of and obligations to the holder under any provision of this Note.

A delay by the holder of this Note in the exercise of any right or remedy shall not be considered a waiver of it. A single or partial exercise by the holder of any right or remedy shall not preclude any other or future exercise of it or the exercise of any other right or remedy. A waiver by the holder of any default or of any provision of this Note shall not be effective unless it is in writing and signed by the holder. A waiver of any right or remedy on one occasion shall not be a waiver of that right or remedy on any future occasion.

The City waives demand for payment, presentment, notice of dishonor and protest of this Note and waives all defenses based on suretyship or impairment of collateral. The City also consents to any extension or postponement of time of payment of this Note, to any substitution, exchange or release of all or any part of any security given to secure it, to the addition of any party to it and to the release, discharge, waiver, modification or suspension of any rights or remedies against any person liable for the indebtedness that this Note evidences.

This Note shall be governed by and interpreted according to the laws of the State of Michigan, without giving effect to conflict of laws rules.

IN WITNESS WHEREOF, the City Council of the City of Caro has caused this Note to be signed in its name by its Mayor and Treasurer.

**CITY OF CARO**

By: \_\_\_\_\_  
Karen Snider  
Its: Mayor

By: \_\_\_\_\_  
Michele Perry  
Its: Treasurer

# **SCHEDULE 1**

## **(Payment Dates)**

**“See Attached”**

87253:00001:6960269-1

City of Caro MI  
Installment Purchase Agreement 2023

Balance 400,000.00  
Term 10 years Callable at par after 7 years  
Rate 5.05%  
Payment 51,927.69  
Dated 3/31/2023

<u>Pmt #</u>	<u>Due Date</u>	<u>Beg balance</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Ending balance</u>
1	4/1/2024	400,000.00	51,983.80	31,727.69	20,256.11	368,272.31
2	4/1/2025	368,272.31	51,927.69	33,329.93	18,597.75	334,942.38
3	4/1/2026	334,942.38	51,927.69	35,013.10	16,914.59	299,929.28
4	4/1/2027	299,929.28	51,927.69	36,781.26	15,146.43	263,148.02
5	4/1/2028	263,148.02	51,927.69	38,638.71	13,288.98	224,509.31
6	4/1/2029	224,509.31	51,927.69	40,589.97	11,337.72	183,919.35
7	4/1/2030	183,919.35	51,927.69	42,639.76	9,287.93	141,279.59
8	4/1/2031	141,279.59	51,927.69	44,793.07	7,134.62	96,486.52
9	4/1/2032	96,486.52	51,927.69	47,055.12	4,872.57	49,431.40
10	4/1/2033	49,431.40	51,927.69	49,431.40	2,496.29	0.00
				400,000.00		

3

**CITY OF CARO  
(TUSCOLA COUNTY, MICHIGAN)**

**INSTALLMENT NOTE**

Principal Amount: \$400,000

Interest Rate: 5.05%

Issue Date: March 31, 2023

Maturity Date: April 1, 2033

Tax ID No.: 38-6004542

City of Caro, Tuscola County, Michigan (the "City"), a Michigan municipal corporation, of 317 S. State Street, Caro, Michigan 48723, hereby acknowledges itself indebted and for value received promises to pay to Independent Bank (the "Bank"), a state banking association, of 4200 E. Beltline Avenue, N.E., Grand Rapids, Michigan 49525, or its assigns, the principal sum of Four Hundred Thousand Dollars (\$400,000), together with interest thereon at the rate of 5.05% per annum from the date hereof. All Payments shall be made on the Payment Dates set forth on Schedule 1 attached hereto and made a part hereof. Payments on this Note are payable in lawful money of the United States of America at the Bank.

Interest on this Note shall be calculated on the basis of a 30/360 month/year, and is due annually in arrears. The principal and interest on this Note may be prepaid in whole or in part at any time on or after April 1, 2030.

If an Event of Taxability shall occur, as defined in the Installment Purchase Agreement (the "IPA") dated as of March 31, 2023, by and between the City and the Bank, then not later than 30 days following receipt from the Bank of written notice that an Event of Taxability may pay to the Bank payments adjusted as agreed by the parties as described in the IPA and if permitted by law. Defined terms in the IPA shall have the same meanings as in this Note. If any installment of principal or interest is not paid when due, then the City shall immediately pay to the holder of this Note a late charge in an amount equal to five percent (5%) of each installment which is received by the Bank more than ten (10) days after the due date. This is in addition to the Bank's other rights and remedies for default in payment of an installment of interest or principal when due.

Each of the following shall be an event of default under this Note if such event shall continue for 30 days after written notice from Bank to the City: (a) if default occurs in the payment of any installment of principal or interest hereunder or of any late charge, out-of-pocket expense, or loan processing fee at any time owing to Bank or any affiliate Bank under this Note or if there occurs any other event of default under the IPA or any other loan agreement or other document between Bank and the City; (b) if any warranty or representation made to Bank or any affiliate of Bank by the City in this Note, in the IPA or in any financial statement, loan

application or other document given to Bank, shall have been false in any material respect; (c) if the City shall dissolve, become insolvent, or make an assignment for the benefit of creditors; (d) if any levy, writ of attachment, garnishment, execution or similar process shall be issued against or placed upon any property of the City, or as otherwise specified in the IPA. Upon the occurrence of any event of default, all or any part of the indebtedness evidenced hereby and all or any part of all other indebtedness and obligations then owing by the City to Bank or any affiliate of Bank shall, at the option of Bank or any affiliate of Bank, become immediately due and payable without further notice or demand. If a voluntary or involuntary case in bankruptcy, receivership or insolvency shall at any time be commenced by or against the City, or if any attachment, garnishment, execution, levy or similar process shall at any time be placed upon any deposit account at any time maintained with Bank by the City, then all such indebtedness and obligations shall automatically become immediately due and payable. All or any part of the indebtedness evidenced hereby also may become, or may be declared to be, immediately due and payable under the terms and conditions contained in any loan agreement, Security Documents or other agreement heretofore or hereafter entered into between the City and Bank or any affiliate of Bank.

Bank shall have the right at any time to set off any indebtedness that Bank then owes to the City (including any deposit account) against any indebtedness evidenced by this Note that is then due and payable, provided that the City is in default hereunder.

This Note was authorized to be issued as part of an installment purchase agreement in accordance with the provisions of Act No. 99 of the Public Acts of Michigan of 1933, as amended, which provides a means by which the City may enter into agreements for the purchase of land, property or equipment for public purposes, to be paid for in installments. The obligation of the City to make the principal and interest payments under this Note is a general obligation of the City, and the City has pledged its limited tax, full faith and credit, general obligation to the payment of principal and interest on this Note, as and when due, subject to constitutional and statutory limitations.

This Note is subject to prepayment in whole or in part before the Maturity Date without penalty at any time on or after April 1, 2030.

The City has designated the Payments under this Note to be qualified tax-exempt obligations for the purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to the issuance of this Note, existed, happened and have been performed in the time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the amount of this Note, together with all other indebtedness of the City, does not exceed any constitutional or statutory limitations.

The holder of this Note shall have all rights and remedies provided under the laws of the State of Michigan and under any agreement of the City with Bank. The City shall reimburse the holder of this Note for any and all expenses, including reasonable attorney fees and legal expenses, that the holder pays or incurs in protecting and enforcing the rights of and obligations to the holder under any provision of this Note.

A delay by the holder of this Note in the exercise of any right or remedy shall not be considered a waiver of it. A single or partial exercise by the holder of any right or remedy shall not preclude any other or future exercise of it or the exercise of any other right or remedy. A waiver by the holder of any default or of any provision of this Note shall not be effective unless it is in writing and signed by the holder. A waiver of any right or remedy on one occasion shall not be a waiver of that right or remedy on any future occasion.

The City waives demand for payment, presentment, notice of dishonor and protest of this Note and waives all defenses based on suretyship or impairment of collateral. The City also consents to any extension or postponement of time of payment of this Note, to any substitution, exchange or release of all or any part of any security given to secure it, to the addition of any party to it and to the release, discharge, waiver, modification or suspension of any rights or remedies against any person liable for the indebtedness that this Note evidences.

This Note shall be governed by and interpreted according to the laws of the State of Michigan, without giving effect to conflict of laws rules.

IN WITNESS WHEREOF, the City Council of the City of Caro has caused this Note to be signed in its name by its Mayor and Treasurer.

**CITY OF CARO**

By: \_\_\_\_\_  
Karen Snider  
Its: Mayor

By: \_\_\_\_\_  
Michele Perry  
Its: Treasurer

# **SCHEDULE 1**

## **(Payment Dates)**

**“See Attached”**

87253:00001:6960269-1

City of Caro MI  
Installment Purchase Agreement 2023

Balance 400,000.00  
Term 10 years Callable at par after 7 years  
Rate **5.05%**  
Payment 51,927.69  
Dated 3/31/2023

<u>Pmt #</u>	<u>Due Date</u>	<u>Beg balance</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Ending balance</u>
1	4/1/2024	400,000.00	51,983.80	31,727.69	20,256.11	368,272.31
2	4/1/2025	368,272.31	51,927.69	33,329.93	18,597.75	334,942.38
3	4/1/2026	334,942.38	51,927.69	35,013.10	16,914.59	299,929.28
4	4/1/2027	299,929.28	51,927.69	36,781.26	15,146.43	263,148.02
5	4/1/2028	263,148.02	51,927.69	38,638.71	13,288.98	224,509.31
6	4/1/2029	224,509.31	51,927.69	40,589.97	11,337.72	183,919.35
7	4/1/2030	183,919.35	51,927.69	42,639.76	9,287.93	141,279.59
8	4/1/2031	141,279.59	51,927.69	44,793.07	7,134.62	96,486.52
9	4/1/2032	96,486.52	51,927.69	47,055.12	4,872.57	49,431.40
10	4/1/2033	49,431.40	51,927.69	49,431.40	2,496.29	0.00
				400,000.00		

4

**ASSIGNMENT AGREEMENT RELATING TO OBLIGATIONS OF  
CITY OF CARO , TUSCOLA COUNTY, MICHIGAN  
TO  
INDEPENDENT BANK**

This Assignment Agreement ("Assignment Agreement") is made effective this 31st day of March, 2023, by and between Independent Bank ("Bank"), a state banking association, of 4200 E. Beltline Avenue, N.E., Grand Rapids, Michigan 49525; and City of Caro ("City"), a Michigan municipal corporation, of 317 S. State Street, Caro, Michigan 48723.

**RECITALS**

WHEREAS, Brindlee Mountain Fire Apparatus ("Contractor") has entered into an agreement (the "Contract") with the City to purchase a fire truck (the "Fire Truck"), for public purposes; and

WHEREAS, the City wishes to assign the City's payment obligations under the Contract to the Bank in return for the receipt of payment by the Contractor from the Bank through the City; and

WHEREAS, the Bank is willing to accept the assignment of the City's contractual obligation to the Contractor to pay for the Fire Truck; and

WHEREAS, the City's payment obligations to the Contractor under the Contract will thereupon be due and payable by the City to the Bank pursuant to an Installment Purchase Agreement (the "IPA").

NOW, THEREFORE, in consideration of the covenants and conditions in this Assignment, it is hereby agreed by and among the parties as follows:

**PROVISIONS**

1. The City assigns and transfers to the Bank all title and interest in and to the payments due from the City for the purchase of the Fire Truck from the Contractor as set forth in the Contract. The Contractor retains all obligations under the Contract. The Bank has no obligations under the Contract.

2. In consideration of this Assignment, the Bank hereby covenants and agrees to disburse to the City, for payments to the Contractor, the sum specified in the Contract, up to \$400,000.

3. Upon disbursement by the Bank to the City of the sums specified in the Contract, the City shall be obligated to pay to the Bank (pursuant to the IPA) all of the City's contractual indebtedness to Contractor up to \$400,000.

4. The City's payment obligations to the Bank are and will continue to be free from all defenses, setoffs, claims, or counter-claims against the Bank. The foregoing, however, shall not be construed to waive any claims that might exist against the Contractor under the Contract.

IN WITNESS WHEREOF the parties have executed this Assignment Agreement as of the date set forth above.

**CITY OF CARO**

By: \_\_\_\_\_  
Karen Snider  
Its: Mayor

By: \_\_\_\_\_  
Michele Perry  
Its: Treasurer

[BANK'S SIGNATURE PAGE TO FOLLOW]

**INDEPENDENT BANK**

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

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

87253:00001:6960327-1

5

**CITY OF CARO, TUSCOLA COUNTY, MICHIGAN**

**NON-ARBITRAGE AND TAX COMPLIANCE CERTIFICATE**

The undersigned certifies that she is the Mayor of the City of Caro, Tuscola County, Michigan (the "City"), and is in general charge of, and is the person charged, along with others, with the responsibility for complying with the terms of a certain contract with Brindlee Mountain Fire Apparatus for the purchase of a fire truck (the "Contract"), that she has made due inquiry and is fully informed as to the matters set out in this Certificate, and that the following are the reasonable expectations and covenants of the City.

1. The Contract is being entered into for the purpose of the purchase of a fire truck described in the Contract, for use by the City (the "Fire Truck").

2. The total financed portion of the purchase price of the Fire Truck is \$400,000. The total is to be financed pursuant to the terms of an Installment Purchase Agreement (the "IPA") with Independent Bank ("Bank") in installments of principal and interest as described in the IPA. The IPA will be used solely to finance the purchase of the Fire Truck and will not be used to acquire any other property or services.

3. The Contract has been assigned to the Bank for payments to the Contractor under the Contract by the Bank (through the City).

4. As of the date hereof, the City does not anticipate or expect to sell, assign or otherwise dispose of any or all of the Fire Truck to any person or entity during any time prior to the retirement of all obligations under the IPA.

5. The Internal Revenue Service Form 8038-G delivered herewith is true, accurate and complete.

6. The installment payments required under the IPA will be from the general revenues of the City. The City will pay installments required under the IPA with monies which have been received by the City within 12 months prior to the date of such installment payments.

7. Except as provided in paragraph 6, no security interest or other pledge exists on any fund or other property of the City for the purpose of securing the IPA.

8. Other than the City's general funds, or funds from a millage, there are no funds or other monies designated for the purpose of purchasing the Fire Truck and the IPA will not replace any funds or other monies invested at a yield in excess of the yield on the IPA.

9. The City has covenanted, to the extent permitted by law, to take all actions necessary to maintain the exclusion of the interest paid under the IPA from gross income for general federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code").

10. The City reasonably anticipates that the amount of tax exempt obligations (other than private activity bonds as described in Section 141 of the Code) that will be issued during calendar year 2023 by the City, any entity which issues obligations on behalf of the City, and all subordinate entities, will not exceed \$10,000,000.

11. The City is a governmental unit with general taxing powers.

12. The IPA is not part of any "private activity bonds" as defined in Section 141 of the Code.

13. All proceeds of the IPA will be used for local governmental activities of the City.

14. The City has not been disqualified by the Commissioner of the Internal Revenue Service nor has the City been notified or otherwise become aware that any such disqualifications are currently being considered by the Commissioner.

To the best of my knowledge and belief, there are no other facts, estimates or circumstances that would change the foregoing, and I hereby certify that the City's expectations, as set forth herein, are reasonable. It is intended that this Tax Certificate meet the requirements of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, as amended, and the terms used should be construed consistently with such regulations, and that the covenants and representations herein are also in satisfaction of the requirements of the Code and the regulations propounded thereunder.

Effective Date: March 31, 2023

**CITY OF CARO**

By: \_\_\_\_\_  
Karen Snider  
Its: Mayor

87253:00001:6960341-1

6

## **ACT 99 CERTIFICATE**

The undersigned, the duly authorized and qualified Mayor of the City of Caro, Tuscola County, Michigan ("City"), in connection with the execution by the City of an Installment Purchase Agreement (the "Agreement") between the City and Independent Bank, certifies as follows:

1. The outstanding balance of all purchases of land, property and equipment for public purposes, to be paid for in installments, including purchases made pursuant to the Agreement, exclusive of interest, is not more than \$670,000.
2. The taxable personal property of the City legal service area as of the date of the Agreement is more than \$92,577,192.00.
3. The amount set forth in paragraph 1 hereof does not exceed 1.25% of the amount set forth in paragraph 2.

Effective Date: March 31, 2023

### **CITY OF CARO**

By: \_\_\_\_\_  
Karen Snider  
Its: Mayor

87253:00001:6960364-1

7

## Information Return for Tax-Exempt Governmental Bonds

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.  
► Go to [www.irs.gov/F8038G](http://www.irs.gov/F8038G) for instructions and the latest information.

OMB No. 1545-0047

**Part I Reporting Authority**Check box if Amended Return ► 

1 Issuer's name City of Caro Scott H. Hogan, Attorney	2 Issuer's employer identification number (EIN) 38-6004542
4 Number and street (or P.O. box if mail is not delivered to street address) 1700 E. Beltline Avenue, N.E.	Room/suite 200
6 City, town, or post office, state, and ZIP code Grand Rapids, Michigan 49525	7 Date of issue March 31, 2023
8 Name of issue City of Caro Fire Truck Purchase	9 CUSIP number N/A
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information Karen Snider, Mayor	10b Telephone number of officer or other employee shown on 10a (989) 673-7671

**Part II Type of Issue (Enter the issue price.)** See the instructions and attach schedule.

11 Education . . . . .	11
12 Health and hospital . . . . .	12
13 Transportation . . . . .	13
14 Public safety . . . . .	14
15 Environment (including sewage bonds) . . . . .	15
16 Housing . . . . .	16
17 Utilities . . . . .	17
18 Other. Describe ► purchase of fire truck	18 \$400,000.00
19a If bonds are TANs or RANs, check only box 19a . . . . . ► <input type="checkbox"/>	
b If bonds are BANs, check only box 19b . . . . . ► <input type="checkbox"/>	
20 If bonds are in the form of a lease or installment sale, check box . . . . . ► <input type="checkbox"/>	

**Part III Description of Bonds.** Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	April 1, 2030	\$ 400,000.00	\$ 400,000.00	5.908 years	4.9877381 %

**Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)**

22 Proceeds used for accrued interest . . . . .	22
23 Issue price of entire issue (enter amount from line 21, column (b)) . . . . .	23 \$400,000.00
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
25 Proceeds used for credit enhancement . . . . .	25
26 Proceeds allocated to reasonably required reserve or replacement fund . . . . .	26
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V . . . . .	27
28 Proceeds used to refund prior taxable bonds. Complete Part V . . . . .	28
29 Total (add lines 24 through 28) . . . . .	29 \$400,000.00
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) . . . . .	30 \$400,000.00

**Part V Description of Refunded Bonds.** Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded . . . . . ►	years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded . . . . . ►	years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) . . . . . ►	
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)	

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form 8038-G (Rev. 10-2021)

**Part VI** Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . .	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions . . . . .	36a	
b	Enter the final maturity date of the GIC ► (MM/DD/YYYY) _____		
c	Enter the name of the GIC provider ► _____		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . .	37	
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► <input type="checkbox"/> and enter the following information:		
b	Enter the date of the master pool bond ► (MM/DD/YYYY) _____		
c	Enter the EIN of the issuer of the master pool bond ► _____		
d	Enter the name of the issuer of the master pool bond ► _____		
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ► <input type="checkbox"/>		
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ► <input type="checkbox"/>		
41a	If the issuer has identified a hedge, check here ► <input type="checkbox"/> and enter the following information:		
b	Name of hedge provider ► _____		
c	Type of hedge ► _____		
d	Term of hedge ► _____		
42	If the issuer has superintegrated the hedge, check box . . . . . ► <input type="checkbox"/>		
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ► <input type="checkbox"/>		
44	If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ► <input type="checkbox"/>		
45a	If some portion of the proceeds was used to reimburse expenditures, check here ► <input type="checkbox"/> and enter the amount of reimbursement . . . . . ► _____		
b	Enter the date the official intent was adopted ► (MM/DD/YYYY) _____		

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.		
	Signature of issuer's authorized representative	Date	Karen Snider, Mayor Type or print name and title
<b>Paid Preparer Use Only</b>	Print/Type preparer's name Scott H. Hogan, Attorney	Preparer's signature	Date Check <input type="checkbox"/> if self-employed
	Firm's name ► Foster, Swift, Collins & Smith, PC		Firm's EIN ► 38-1904703
	Firm's address ► 1700 E. Beltline Avenue, N.E., Suite 200, Grand Rapids, Michigan 49525		Phone no. (616) 726-2207

8

**Lansing**  
313 S. Washington Square  
Lansing MI 48933

**Detroit**  
333 W. Fort Street – Suite 1400  
Detroit MI 48226

Walter S. Foster  
1878-1961  
Richard B. Foster  
1908-1996  
Theodore W. Swift  
1928-2000  
John L. Collins  
1926-2001  
Webb A. Smith - Retired  
Scott A. Storey  
Charles A. Janssen  
Charles A. Barbieri  
Scott L. Mandel  
Michael D. Sanders

Brent A. Titus  
Brian G. Goodenough  
Matt G. Hrebek  
Deanna Swisher  
Thomas R. Meagher  
Douglas A. Mielock  
Scott A. Chernich  
Paul J. Millenbach  
Dirk H. Beckwith  
Brian J. Renaud  
Lynwood P. VandenBosch  
Lawrence Korolewicz  
James B. Doezema  
Anne M. Seurnick  
Michael D. Homier  
Scott H. Hogan

**Southfield**  
28411 Northwestern Highway – Suite 500  
Southfield MI 48034

**Holland**  
151 Central Avenue – Suite 260  
Holland MI 49423

Richard C. Kraus  
Benjamin J. Price  
Michael R. Blum  
Jonathan J. David  
Andrew C. Vredenburg  
Julie I. Fershman  
Todd W. Hoppe  
Jennifer B. Van Regenmorter  
Thomas R. TerMaat  
Frederick D. Dilley  
David R. Russell  
Joel C. Farrar  
Laura J. Genovich  
Karl W. Butterer, Jr.  
Mindi M. Johnson  
Ray H. Littleton, II

Jack L. Van Coevering  
Anna K. Gibson  
Nicholas M. Oertel  
Alicia W. Birach  
Adam A. Fadly  
Michael J. Liddane  
Ryan E. Lamb  
Clifford L. Hammond  
Matthew S. Fedor  
Andrea Badalucco  
Stefania Gismondi  
Leslie A. Abdoo  
Julie L. Hamlet  
Michael C. Zahrt  
Mark T. Koerner  
Warren H. Krueger, III

Taylor A. Gast  
Rachel G. Olney  
Tyler J. Olney  
Mark J. DeLuca  
Stephen W. Smith  
Sarah J. Gabis  
Amanda Afton Martin  
Steven J. Tjapkes  
Jacquelyn A. Dupler  
Daniel S. Zick  
Scott R. Forbush  
Alexander S. Rusek  
Benjamin R. Judd  
Thomas K. Dillon  
Robert A. Hamor  
Michael A. Cassar

**Grand Rapids**  
1700 E. Beltline NE – Suite 200  
Grand Rapids MI 49525

**St. Joseph**  
800 Ship Street – Suite 105  
St. Joseph MI 49085

Hilary J. McDaniel Stafford  
Emily R. Wisniewski  
Amanda J. Dernovsek  
Brandon M. H. Schumacher  
Alain M. Nelson  
Joseph B. Gale  
Sydney T. Steele  
Katherine A. Ruttkofsky  
Anthony M. Dalimonte  
Jin W. Scales  
Benjamin C. Dilley  
Tori J. Thomas  
Nicholas J. Stock, II  
Keith T. Brown

**Writer's Direct Phone:** 616.726.2207

**Fax:** 616.726.2299

**Reply To:** Grand Rapids

**Email:** SHogan@fosterswift.com

March 31, 2023

Independent Bank  
4200 E. Beltline Avenue, N.E.  
Grand Rapids, MI 49525

City of Caro  
317 S. State Street  
Caro, MI 48723

**RE: Not to Exceed \$400,000 Installment Purchase Agreement and Note  
City of Caro**

Ladies and Gentlemen:

We have acted as counsel to the City of Caro, Tuscola County, Michigan (the "City") with respect to (A) Resolution No. 2023-\_\_ (Resolution Authorizing Execution and Delivery of an Installment Purchase Agreement and Note) adopted by the City Council on March 20, 2023 (the "Resolution"); (B) the Installment Purchase Agreement dated as of the date hereof between the City and Independent Bank ("Bank"); and (C) the Installment Note dated as of the date hereof executed by the City in the principal amount of \$400,000 (the "Note"). This opinion letter is being delivered to confirm Section 5 of the Installment Purchase Agreement. We are also aware of the Contract (the "Contract") between the City and Brindlee Mountain Fire Apparatus (the "Contractor") for the purchase of a fire truck.

In our capacity as such counsel, we have examined such law and a certified copy of the Resolution, copies of the Contract and the Installment Purchase Agreement (collectively, the "Agreements"), the original Note, and such other information, certifications and documents as we have deemed necessary and advisable to deliver this opinion letter. In forming the basis for our opinions set forth below, we have assumed the genuineness of all signatures (other than those of the City) and the authenticity of all documents submitted to us as originals and the conformity to originals of all documents submitted to us

Independent Bank  
City of Caro  
March 31, 2023  
Page 2

as copies. As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Resolution and the Agreements and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Moreover, for purposes of this opinion letter, we have assumed that (i) all natural persons are legally competent and have sufficient legal capacity; (ii) the Contractor and the Bank each have the requisite power and authority to execute, deliver and perform each of the Agreements to which it is a party and each of the Agreements to which the Contractor or the Bank is a party has been duly authorized, executed and delivered by it; (iii) each of the Agreements to which the Contractor or the Bank is a party constitutes its legal, valid and binding obligation, enforceable in accordance with its terms; (iv) the conduct of all the parties to the Agreements has complied with any requirement of good faith, fair dealing and conscientiousness and such parties will perform their obligations thereunder reasonably, in good faith and with fair dealing and such parties will act reasonably, in good faith and with fair dealing in taking action, exercising discretion or making determinations thereunder; (v) there has not been any mutual mistake of fact, fraud, duress or undue influence in connection with the execution and delivery of the Agreements; and (vi) each party to the Agreements will act in accordance with, and will refrain from taking any action which is prohibited by, the terms and conditions of the Agreements.

Based upon the foregoing and subject to the assumptions and qualifications set forth herein, it is our opinion that:

1. The City is a political subdivision of the State of Michigan (the "State") duly organized, existing and operating under the Constitution and laws of the State.

2. The City is authorized and has power under State law to enter into the Agreements, to execute and deliver the Note, and to carry out its obligations thereunder and the transactions contemplated thereby.

3. The Agreements and the Note have been duly authorized, approved and executed by and on behalf of the City, and are valid and binding obligations of the City enforceable in accordance with their terms, except as enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may be subject to the exercise of judicial discretion in appropriate cases, including the application of general principles of equity.

4. To our reasonable knowledge, the authorization, approval and execution of the Agreements and the Note and all other proceedings of the City relating to the transactions contemplated thereby have been performed in accordance with all applicable local, State and Federal laws.

Independent Bank  
City of Caro  
March 31, 2023  
Page 3

5. To our reasonable knowledge, without checking court indices, there is no litigation or proceeding pending before any court, administrative agency or governmental body, that challenges: the organization or existence of the City; the authority of its officers; the proper authorization, approval and execution of any of the Agreements or the Note; the appropriation of monies to make payments under the Agreements or the Note; or the ability of the City otherwise to perform its obligations under the Agreements and the Note and the transactions contemplated thereby.

6. The City is a political subdivision of the State as such terms are used in Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and the related regulations and rulings thereunder.

7. Under existing statutes, regulations, rulings and court decisions, as presently interpreted, the interest on the Note is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that certain corporations must take into account interest on the Note in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth herein is subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Note in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Note to be included in gross income retroactive to the date of issuance of the Note. The City has covenanted to comply with all such requirements. The City has designated this Note as a "qualified tax-exempt obligation" for purposes of the deduction of interest expense by financial institutions pursuant to Section 265(b)(3) of the Code. We express no opinion regarding other federal tax consequences arising with respect to the Note.

This opinion is subject to the following qualifications and limitations: (i) we are licensed to practice law in the State of Michigan and, in rendering the foregoing opinions, do not hold ourselves out to be qualified to express a legal opinion with respect to the laws of any jurisdiction other than the laws of the State of Michigan and the federal laws of the United States; and (ii) whenever the phrase "to the best of our reasonable knowledge" appears in this opinion, it means that in the course of the inquiries and investigations described herein, we became aware of no facts which indicate that the opinion expressed is incorrect, and that except as otherwise expressly stated in this letter, we have not examined any public records (including without limitation, the plaintiff or defendant indices of state and federal courts), or the records of the City generally (including but not limited to instruments, contracts, notes and agreements of all kinds), whether or not examination or investigation might otherwise be reasonable or prudent, and in giving this opinion we have relied solely on the representations and warranties of the officers of the City and have not undertaken any independent investigation to determine the existence or nonexistence of any facts.

Independent Bank  
City of Caro  
March 31, 2023  
Page 4

No opinion may be inferred or implied beyond the matters expressly stated herein. The opinions that are expressed herein are solely for the Bank's and its registered assigns' benefit in connection with the transactions contemplated by the Agreements, and may not be relied upon in any manner by any other person or for any other purpose. This opinion is as of its date and we disclaim any undertaking or obligation to advise of changes that hereafter may be brought to our attention.

Very truly yours,

FOSTER SWIFT COLLINS & SMITH PC

87253:00001:6960388-1

9

**GENERAL CERTIFICATE**

**CITY OF CARO  
(Tuscola County, Michigan)**

**\$400,000  
FIRE TRUCK PURCHASE**

**Dated: March 31, 2023**

This Certificate is delivered by the undersigned on behalf of City of Caro, Tuscola County, Michigan (the "City") in connection with the Installment Purchase Agreement and the Note and related documents (collectively, the "IPA") dated March 31, 2023, with Independent Bank ("Bank"), to which this Certificate is being delivered simultaneously with delivery of the IPA.

The City represents and certifies as follows:

1. The City has full legal right, power and authority to execute and deliver the IPA to the Bank as provided in the Resolution Authorizing Execution and Delivery of An Installment Purchase Agreement and Note, and Authorizing Reimbursements (Fire Truck Purchase), adopted on March 20, 2023 (the "Resolution"); and the City has duly authorized and approved the execution and delivery of the IPA and the performance by the City of its obligations contained in the Resolution.

2. The Resolution has been duly adopted by the City, acting through its City Council (the "City Council"), and is in full force and effect as of the date hereof and is a contract with the Bank, and a valid, legally binding action of the City, enforceable in accordance with the terms thereof except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and by principles of equity if equitable remedies are sought.

3. Pursuant to and in conformity with the laws of the State of Michigan and the Resolution, the City Mayor and City Treasurer, or their designees, in their official capacities, have executed, issued, and delivered the IPA to the Bank.

4. When delivered to the Bank and funded in accordance with the terms of the IPA, the IPA (i) will have been duly authorized, executed, issued and delivered by the City, (ii) will constitute valid, legally binding obligations of the City in accordance with its terms and (iii) does not, when taken together with all other obligations of the City, exceed or violate any constitutional or statutory limitation.

5. The undersigned are on this date the elected or appointed, acting and qualified incumbents of the offices of the City set forth following their names; the signatures appearing are the genuine signatures of such officers; and the signatures on the IPA are the true or facsimile, as the case may be, signatures of the City Mayor and City Treasurer; and they (and their designees) are the officers having the authority to execute and deliver the IPA.

6. The members of the City Council identified as present and absent in each resolution adopted by the City Council in connection with the issuance of the IPA were all duly appointed, qualified, and acting members of the City Council at the time of adoption of that resolution and constituted all of the members of the City Council on the date of adoption of that resolution.

7. The fulfillment of the terms and conditions of, and the carrying out of the transactions contemplated by, the Resolution do not and will not conflict with or constitute on the part of the City a breach of or a default under any existing law (including, without limitation, the Constitution of the State of Michigan), any court or administrative regulation, decree or order or any agreement, indenture, mortgage, obligation, lease or other instrument to which the City is subject or by which it is bound and which breach or default would materially affect the validity or binding effect of the IPA or the ability of the City to pay the principal of and the interest on the IPA.

8. The IPA will conform to the terms set forth in the Resolution; and the proceeds of the sale of the IPA shall be applied as described in the Resolution.

9. The indebtedness of the City (including the IPA) under Michigan Public Act 99 of 1933, as amended, does not exceed or violate any constitutional or statutory limitation, and does not exceed 1.25% of the taxable property within the City.

10. No litigation or proceedings of any nature are now pending, and to the knowledge of the City no litigation or other proceedings have been commenced or are threatened against the City in any court or administrative agency (i) to restrain or enjoin the sale, execution or delivery by the City of the IPA, or (ii) in any manner questioning the existence of the City, or the authority of the City to issue, or the issuance or validity of, the IPA or any other indebtedness of the City, or (iii) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the issuance of the IPA, or questioning the use of the proceeds of the IPA or the legality of the purpose for which the IPA are issued, or (iv) questioning the validity or enforceability of the Resolution, or (v) securing a lien on any and all revenues, taxes, fees, or other moneys, securities, funds and property that are a source of payments on the IPA and which would materially impair the ability of the City to repay the IPA, or (vi) which might in any material respect adversely affect the transactions contemplated herein; and no right of any member of the governing body of the City to his or her office is being contested.

11. All approvals, consents, and orders of any governmental authority, City Council, agency, council, commission, or other body having jurisdiction in the matter (other than state blue sky and securities clearances), which are required for the issuance of the IPA have been obtained and are in full force and effect.

12. Any certificate or copy of any certificate signed by any official of the City and delivered to the Bank shall be deemed a representation by the City to the Bank as to the truth of the statements therein made.

13. The City is not in default in the payment of principal of, or premium, if any, or interest on any bonds, notes or contract payments pledged for the payment thereof.

IN WITNESS WHEREOF, we have signed this General Certificate on the 31st day of March, 2023.

**City of Caro**

By: \_\_\_\_\_  
Karen Snider  
Its: Mayor

By: \_\_\_\_\_  
Michele Perry  
Its: Treasurer

87253:00001:6960399-1

# CITY OF CARO

## Capital Assets Policy

### I. Purpose of the Policy

The purpose of this policy is to identify, classify and capitalize all capital assets of the City of Caro (City). The basic goal and objective of this policy is to define and describe a set of standard procedures and policies necessary to record and control the changes in the capital assets system in accordance with generally accepted accounting principles. In addition, a capital assets policy is necessary to:

- Ensure that the asset is adequately protected from loss, theft, etc.
- Provide necessary documentation for the effective use, maintenance, management and reporting of the asset.
- Facilitate the calculation and recording of depreciation.
- Provide necessary documentation for insurance purposes.
- Provide information useful for capital planning.

In order to achieve these purposes, the capital assets system must be maintained on a current basis and the information must be complete, accurate, and consistent. The accounting policies defined below will assist the City in achieving these purposes.

#### A. Capital Asset Definition

Capital assets are those assets of a long-term character which are used in the operation of the City and are intended to be held or used for an extended period of time, such as land, land improvements, buildings and improvements, vehicles, machinery and equipment, furniture and fixtures, construction in progress, and infrastructure.

A capital asset must meet all the following criteria:

- It must be tangible in nature.
- It must meet or exceed the capitalization thresholds established by Council (see Section I, Paragraph C below)
- It normally has a useful life of five (5) years or longer. One exception to this is special purpose vehicles with a high level of use such as police cruisers. This category of vehicle must have a useful life of at least three (3) years.

#### B. Classifications of Capital Assets

The City classifies capital assets in either the General Fixed Assets Account Group or within individual proprietary funds. Capital assets whose ownership rests with the City, which are purchased from general, special revenue, or capital project funds and which are used

by governmental fund departments are accounted for in the governmental account group. Capital assets purchased from enterprise funds or purchased from other sources and contributed to an enterprise fund are accounted for in the individual enterprise fund. Capital assets are added if received by June 30 (fiscal year end) no matter when encumbered or paid for.

The common capital asset categories are defined as follows:

- 1) Land – Any land owned by the municipality whether vacant or not, including building sites, parking lots, parks, etc. Land is to be capitalized but not depreciated. It is recorded at historical cost and remains at the cost until disposal. If there is a gain or loss on the sale of land, it is reported as a special item in the statement of activities.
- 2) Land Improvements – Land improvements consist of betterments, site preparation and site improvements (other than buildings) that ready land for its intended use. The costs associated with improvements to land are added to the cost of the land. Site improvements include improvements such as excavation, non-infrastructure utility installation, driveways, sidewalks, parking lots, flagpoles, retaining walls, fencing, outdoor lighting, and other non-building improvements intended to make the land ready for its intended purpose.
- 3) Buildings – A building is a structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls, and is not intended to be transportable or moveable. Buildings should be recorded at either their acquisition cost or construction cost. The cost of new construction should be carefully evaluated. Usually, projects consist of major components such as land, land improvements, building construction (including professional fees and permits), furniture, fixtures, and equipment. In addition, buildings include components (e.g., roof, air conditioner system, etc.) that should be recorded separately when significant because these building components have different useful lives. The value of each component needs to be determined and placed within its own category.
- 4) Building Improvements – Building improvements are capital events that materially extend the useful life of a building or increase the value of a building, or both. A building improvement should be capitalized as a betterment and recorded as an addition of value to the existing building if the expenditure for the improvement is at the capitalization threshold, or the expenditure increases the life or value of the building by at least 25 percent of the original life period or cost. Examples of building improvements include major energy conservation projects, remodeling, replacing major building components, and building additions. The cost of these improvements will not be added to the existing asset cost but will be capitalized and depreciated separately.

Note regarding replacement: For a replacement to be capitalized, it must be a part of a major repair or rehabilitation project that increases the value and/or useful life of the building, such as renovation. A replacement may be capitalized if the new item/part is of significantly improved quality and higher value compared to the old item/part, such as replacement of an old shingle roof with a new fireproof tile roof. Replacement or restoration to original utility level would not qualify as a capitalized asset and should be recorded as maintenance expense. Determinations must be made on a case-by-case basis.

- 5) Vehicles – These are self-explanatory, but they should have a certificate of title and a license plate and be used to drive on roads. Certain items such as backhoes, pay loaders, and trailers should be classified as equipment.
- 6) Machinery and Equipment – Those items not belonging in a specific category but meeting the definition of a fixed asset.
- 7) Furniture and Fixtures – Items used to furnish a building and fixtures such as shelving, cabinetry, etc.
- 8) Construction in Progress – Construction in progress should be capitalized and not depreciated. These are costs for projects not completed during the year. When the project is completed and put into use by the City, it should be capitalized in the proper category. If construction costs are funded in part or in whole by a debt instrument, the interest paid on said debt prior to the asset being booked shall be capitalized as part of the construction.
- 9) Infrastructure – Infrastructure assets are long-lived capital assets, normally stationary in nature, and can be preserved for a significantly greater number of years than most capital assets. Infrastructure assets include roads, bridges, signage, light system (traffic, outdoor, street, etc.), curbs and gutters, streets and sidewalks, drainage systems, water pipelines, sewer pipelines, lighting systems, fiber optic cables, radio, television and electric transmission system and other similar assets that are immovable and of value only to the City.
- 10) Infrastructure Improvements – Infrastructure improvements are capital events that materially extend the useful life or increase the value of the infrastructure, or both. Infrastructure improvements are capitalized as a betterment and recorded as an addition of value to the infrastructure if the improvement or addition of value is at the capitalization threshold or increases the life or value of the asset by at least 25 percent of the original cost or life period.
  - a. Additions and Improvements – Additions and improvements are those capital outlays that increase the capacity or efficiency of the asset. A change in capacity increases the level of service provided by an asset. For example, additional lanes can be added to a street, or the weight capacity of a bridge could be increased. A change in efficiency maintains the same service level, but at a reduced cost. For example, a heating and cooling plant could be reengineered so that it produces the same temperature changes at reduced cost. The cost of additions and improvements should be capitalized.
  - b. Preservation Costs – Preservation costs are generally considered to be those outlays that extend the useful life of an asset beyond its original estimated useful life but do not increase the capacity or efficiency of the asset. Preservation costs should be capitalized.
  - c. Maintenance Costs – Maintenance costs allow an asset to continue to be used during its originally established useful life. Maintenance costs are expensed in the period incurred.

11) Leased Assets – All leased assets are accounted for in accordance with GASB 87.

### C. Capitalization Thresholds

Standard capitalization thresholds for capitalizing assets are established for each major class of assets, and all departments are required to use the following thresholds:

Class of Asset	Threshold
Land/land improvements	Capitalize All
Building/building improvements	\$15,000
Vehicles	\$15,000
Machinery and Equipment	\$15,000
Furniture and Fixtures	\$15,000
Infrastructure/infrastructure improvements	\$20,000
Telecommunication assets	\$15,000

### D. Methods of Valuing Capital Assets

The general policy for valuation of assets is that all assets which are capitalized should be recorded at historical cost. Historical cost includes not only the purchase prices or construction costs, but also ancillary charges like freight and transportation fees, site preparation expenditures, professional fees, legal claims, etc., necessary to place the asset in its intended location and condition for use. However, there are instances in which historical cost information is not available or inappropriate for valuation purposes.

- Historical Cost Information Unavailable – Should valuation problems arise when attempting to establish accurate historical costs for items acquired in the past, the City will employ whichever of the following valuation methods is deemed to be most appropriate to the asset being examined.
  - Historical Price Estimated Method – To be employed if the date of acquisition is known and manufacturer/retailer prices are available; or

- Price Deflation Method – To be employed if such historic prices are unknown or known to be inappropriate given unique, local purchase circumstances. In this case, present prices are deflated to the year in which the asset was acquired, using the consumer price index as prepared by the United States Bureau of Labor Statistics.
- Gifts and Donations – For assets acquired through gifts or donations, the estimated fair value at the time of the receipt of the assets will be the capitalized value. Under normal circumstances, fair value can be determined from source documents involved in the acquisition transaction – purchase prices, contracts, court judgment awards, etc. However, where source documents are unavailable or incomplete, two valuation methods are appropriate:
  - Historic Price Estimate Method – To be employed if the date of acquisition is known and manufacturer retail prices are available; and
  - Appraisal Method – To be exercised if mandated as a condition of the City acceptance of the asset or if other valuation methods seem inappropriate.
- Eminent Domain – Assets acquired through exercise of eminent domain powers are often subject to the compensation determined by a court of competent jurisdiction, most frequently resulting in a single-stage transaction not unlike a regular purchase. The carrying value, then, will be the cost of compensating the property owner(s), plus such ancillary costs as legal and title fees, surveying fees, appraisal and negotiation fees, damage payments, site preparation costs (clearing, filling, leveling), and demolition of unwanted structures.

## E. Asset Life

Asset life is the amount of time (reported in years) the City is expected to receive benefit from the asset. Asset life is generally determined by past practice, historical records of improvement replacements, and generally accepted standards by the majority of municipalities. City use the following table of asset life:

<b>Description</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>
	<b>Estimated Lives</b>	<b>Estimated Lives</b>
Land Improvements	5-20 years	5-20 years
Buildings/building improvements	20-40 years	20-40 years
Vehicles	5-10 years	5-10 years
Machinery and Equipment	5-25 years	5-25 years
Furniture and Fixtures	5-15 years	5-15 years
Infrastructure/infrastructure improvements	25-60 years	25-60 years
Telecommunication assets	3-15 years	3-15 years
Leased assets	5-25 years	5-25 years

## **F. Depreciation**

The City uses the straight-line method of depreciation. The cost of the assets is divided by the estimated life to come up with the annual depreciation. The City uses the full-month convention for assets purchased during the year. Under a full-month convention, property placed in service at any time during a given month is treated as if it had been placed in service on the first day of that month. This allows depreciation to be taken for the entire month in which the asset is placed in service. If the property is disposed of before the end of the estimated useful life, no depreciation is allowed for the month of disposition.

## **G. Capital Asset Retirements and Transfers**

### Retirements

City capital assets are retired through either disposal, trade-in, sale, or loss. The manner of removing assets from the capital asset subsystem records differs for those assets appearing in the governmental account group, as compared to those within proprietary fund types.

If an asset is sold, traded or retired, the appropriate record is removed from the account group, along with applicable accumulated depreciation. The cash received is posted to the appropriate governmental fund as current revenue. For assets exchanged for replacements, the purchase price of the new asset is reduced by the trade-in value given for the old. The latter is then removed from the capital asset records along with accumulated depreciation.

Retirement of assets within proprietary fund types incorporates gains and losses due to the profit-oriented nature of proprietary funds. All losses incurred through retirement are recognized immediately as such. Gains realized through the sale of capital assets are recognized. Any gains recognized in exchanges of capital assets are credited to the value of the new asset.

### Transfers

Transfers of property between any fund types may be a current account transaction or a capital contribution. The asset should be valued at cost or at the fair market value of the transferred asset on the date of the transfer. Transfers among enterprise funds should be treated as current account transactions with gains/losses on sale/disposition of assets recorded.

## **II. Fixed Asset Recording Procedures**

### **A. Fixed Asset Purchases**

City Department Heads are to purchase fixed assets valued over the thresholds listed in Paragraph I.A. above from capital line items only. The Treasurer will review capital line items during the year to determine which assets need to be set up in the fixed asset database.

## **B. Fixed Asset Database**

At the time a capital asset has been received by the City and/or placed into service, the invoice and related paperwork will be entered into the fixed asset database. Information recorded on each asset will be as follows: description of the asset, department, location, cost, serial and model numbers, useful life and date of purchase. At the end of each year, the Treasurer, or designee, will prepare a print-out of asset additions and deletions during the year, along with a listing of capital assets as of the end of the year.

## **III. Annual Asset Inventory**

Because of the high volume of asset-related transactions, sometimes even the best internal controls cannot always capture every change. For that reason, at least once per calendar year departments will receive a listing of the fixed assets on record for that department from the Treasurer. The assigned departmental employee should check the listing and note any additions, changes, or deletions that need to be made. Also, periodically the Treasurer may authorize a physical inventory to be done by a representative of the Treasurer Department. That representative will then conduct a physical inventory of the designated department's assets using the current fixed asset inventory records to ensure that the information is both accurate and inclusive. Following such physical inventory, the Treasurer will notify the Department Head of any adjustments that may need to be made.

## **IV. Responsibilities of Department Heads**

Departments are responsible for the proper use, care, and maintenance of fixed assets in their possession. If repairs are required, they should be performed expeditiously to keep assets in good working condition. In addition, departments must ensure that all assets are maintained in a secure manner to minimize loss, damage and unauthorized use.

Department Heads are responsible to identify and report all non-purchase capital assets acquisitions of the Treasurer. Such acquisitions could be obtained as the result of a gift, grant, transfer, legal confiscation, or manufacture by the department.

Department Heads are also responsible to notify the Treasurer if a capital asset item is destroyed or damaged, so that the Treasurer can delete these items from the asset listing and notify the Clerk so they can notify the City's insurance agent in order to report a claim and/or remove the asset from the City insurance policy.

City Council adopted \_\_\_\_\_

Policy #: \_\_\_\_\_

# CITY OF CARO

CITY MANAGER  
SCOTT R. CZASAK  
CITY CLERK  
RITA PAPP  
CITY TREASURER  
MICHELE PERRY  
CITY ATTORNEY  
LAURA GENOVICH

317 South State Street  
Caro MI 48723  
Phone 989-673-2226  
Fax 989-673-7310  
Website [www.carocity.net](http://www.carocity.net)

MAYOR  
KAREN SNIDER  
CITY COUNCIL  
EMILY CAMPBELL  
BOB ESCHENBACHER  
VACANT  
PAMELA ISELER  
CHARLOTTE KISH  
JILL WHITE

## MEMORANDUM

TO: Caro City Council  
FROM: City Manager Scott R. Czasak  
DATE: Wednesday, March 15, 2023  
RE: Agenda Item X – HDC Ribbons

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Members of the Caro City Council,

Recently, I received a request from HDC to place Sexual Assault Awareness ribbons on the light posts in down in the month of April, as they have done previously.

They would be responsible for the hanging, maintenance, and removal of the ribbons, therefore there is no cost to the City.

Your options for motions are:

1. Allow HDC to place Sexual Assault Awareness ribbons in the month of April in consultation with the City.
2. Deny the request to place ribbons.

## **Scott Czasak**

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**From:** Stephanie Morris <stephaniemo@hdc-caro.org>  
**Sent:** Monday, March 13, 2023 11:24 AM  
**To:** Scott Czasak  
**Subject:** Ribbons

For the month of April, would we be able to hang out Sexual Assault Awareness ribbons around the light post like we did in October?

Stephanie Morris  
Survivor Support Manager  
Human Development Commission  
Thumb Area Assault Crisis Center  
stephaniemo@hdc-caro.org  
989-672-1739

# CITY OF CARO

CITY MANAGER  
SCOTT R. CZASAK  
CITY CLERK  
RITA PAPP  
CITY TREASURER  
MICHELE PERRY  
CITY ATTORNEY  
LAURA GENOVICH

317 South State Street  
Caro MI 48723  
Phone 989-673-2226  
Fax 989-673-7310  
Website [www.carocity.net](http://www.carocity.net)

MAYOR  
KAREN SNIDER  
CITY COUNCIL  
EMILY CAMPBELL  
BOB ESCHENBACHER  
VACANT  
PAMELA ISELER  
CHARLOTTE KISH  
JILL WHITE

## MEMORANDUM

TO: Caro City Council  
FROM: City Manager Scott R. Czasak  
DATE: Wednesday, March 15, 2023  
RE: Agenda Item X – WWTP Improvements Public Hearing

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Members of the Caro City Council,

As you are aware, we are on a path towards asking for a large sum of money from the Clean Water State Revolving Fund (CWSRF) for an upgrade to our Wastewater Treatment Plant. HRC was awarded the contract to develop our formal plan which will be sent to the CWSRF for possible funding. Part of that process is to schedule a Public Hearing on the proposed plan before it can go forward.

HRC is requesting we schedule this Public Hearing during the Monday, April 3<sup>rd</sup>, 2023, City Council meeting. We have received a draft copy of the proposed plan, which will be available at City Hall in the Clerk's office for review by members of the public before the hearing, as well as we will make the plan available on our website.

Holding this Public Hearing is a necessary step in the process and will bring us one step closer to obtaining the CWSRF funding necessary to complete this project.

Your options for motions are:

1. Schedule a Public Hearing on the Draft CWSRF Plan for the Caro Wastewater Treatment Plant for Monday, April 3, 2023 at 6:30 p.m. in the Council Chambers at the Caro Municipal Building.
2. Schedule a Special Council meeting in order to hold a Public Hearing on the Draft CWSRF Plan for the Caro Wastewater Treatment Plant (noting of course there must be a 15 day notice for a Public Hearing).
3. Take no action.

## NOTICE OF PROJECT PLANNING PUBLIC MEETING

The City of Caro will hold a public meeting on the proposed Wastewater Treatment Plant and Sanitary Collection System Improvements project for the purpose of receiving comments from interested persons.

The meeting will be held at 6:30 p.m. on Monday, April 3, 2023, at Caro City Hall (317 S State St, Caro, MI 48723.

The purpose of the proposed project is to make improvements to the existing wastewater treatment and collection systems in order to continue to meet the required level of service for the systems.

Project construction will involve upgrades to and replacement of equipment at the City's existing Wastewater Treatment Plant, sanitary pumping stations, and inspection and rehabilitation of portions of the City's sanitary sewers.

Impacts of the proposed project include temporary noise and disruption to the public due to construction of the required improvements, which will be offset by improvements to the wastewater collection and treatment system that will reduce the likelihood of system failures.

The estimated cost to users for the proposed project is approximately \$23.33 per residential user per month if a 20 year loan is pursued, or \$15.56 per residential user per month if a 30 year loan is pursued. However, the City will likely qualify as "overburdened" and may be eligible for additional grant funding and/or principal forgiveness, which would reduce the cost. The City will also have the opportunity to reduce the scope of work and potential cost during the design phase and/or defer the project should funding not be awarded.

Copies of the plan detailing the proposed project are available for inspection at the following location: City Hall Clerk's office located at 317 S State St, Caro, MI 48723. (phone: 989-673-7671 ext. 5223)

Written comments received before the meeting record is closed on Monday, April 3, 2023, will receive responses in the final project planning document. Written comments should be sent to the City Clerk's office or emailed to: clerk@carocity.net.

# CITY OF CARO

CITY MANAGER  
SCOTT R. CZASAK  
CITY CLERK  
RITA PAPP  
CITY TREASURER  
MICHELE PERRY  
CITY ATTORNEY  
LAURA GENOVICH

317 South State Street  
Caro MI 48723  
Phone 989-673-2226  
Fax 989-673-7310  
Website [www.carocity.net](http://www.carocity.net)

MAYOR  
KAREN SNIDER  
CITY COUNCIL  
EMILY CAMPBELL  
BOB ESCHENBACHER  
VACANT  
PAMELA ISELER  
CHARLOTTE KISH  
JILL WHITE

## MEMORANDUM

TO: Caro City Council  
FROM: City Manager Scott R. Czasak  
DATE: Wednesday, March 15, 2023  
RE: Agenda Item X – Marijuana Fees Resolution

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Members of the Caro City Council,

As you are aware, in the City of Caro we have a limited number of licenses for Recreational and Medical Marijuana facilities, which must be renewed each year. In preparation to notify our current license holders, I discovered both the Recreational and Medical Marijuana ordinances require a Resolution from Council to set the rates for both renewal of a license, or the transfer of a license. A review of the Resolutions on hand demonstrated this has yet to be done. Therefore, in consultation with our City Attorney, a resolution was developed to set the price for both renewal and transfer of licenses at \$5,000, which is the same amount as the initial application fee for a license.

Setting of these fees is required under our ordinance, and as soon as these fees are set I can send the renewal notices to our existing license holders, and this resolution sets a fee which is universal and consistent with what we already use per our ordinance.

Your options for motions are:

1. Adopt the resolution as presented to set the renewal and transfer fees for Recreational and Medical Marijuana facilities to \$5,000 each.
2. Take no action.
3. Table the resolution for further consideration.

**CITY OF CARO**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION TO ESTABLISH TRANSFER AND RENEWAL FEE AMOUNTS FOR  
MEDICAL AND ADULT-USE MARIHUANA ESTABLISHMENTS**

At a meeting of the City Council of the City of Caro, Tuscola County, Michigan, held on the 20<sup>th</sup> day of March, 2023.

PRESENT: \_\_\_\_\_

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

The following preamble and resolution were offered by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**WHEREAS**, the City of Caro has adopted ordinances authorizing and regulating medical marihuana facilities and adult-use marihuana establishments in the City; and

**WHEREAS**, Section 8-29(g)(3) of the City Code of Ordinances, within the City's Medical Marihuana Facilities Ordinance, provides that “[t]he application and inspection fee for the facility license required by this section shall be as set from time to time by the city by resolution”; and

**WHEREAS**, Section 8-38(a) of the City Code of Ordinances, within the City's Adult Use Marihuana Establishment Ordinance, establishes a \$5,000 annual fee for adult-use marihuana establishments; and

**WHEREAS**, Section 8-38(c) of the City Code of Ordinances provides that the City may charge a non-refundable application fee to transfer an existing adult-use marihuana establishment license and a non-refundable renewal fee for an adult-use marihuana establishment license in an amount set by resolution of City Council; and

**WHEREAS**, the City wishes to establish the amount of the fees described above.

**NOW, THEREFORE**, the City Council of the City of Caro resolves as follows:

1. The City establishes the non-refundable application fee of medical marihuana facilities in the amount of \$5,000.

2. The City establishes the non-refundable fee for the transfer of an existing adult-use marihuana establishment license in the amount of \$5,000.

3. The City establishes the non-refundable renewal fee for an existing adult-use marihuana establishment license in the amount of \$5,000. The renewal fee functions as the annual fee for existing adult-use marihuana establishments after the first year of licensure; the City will not charge an establishment both a renewal fee and an annual fee during the same 12-month period.

4. 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.

A vote on the above Resolution was taken and was as follows:

ADOPTED:

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

## NAYS:

STATE OF MICHIGAN )  
 ) ss.  
COUNTY OF TUSCOLA )

I, the undersigned, the duly qualified and acting Deputy City Clerk for the City of Caro, Tuscola County, Michigan, CERTIFY that the foregoing is a true and complete copy of certain proceedings taken by the City Council at a meeting held on the 20<sup>th</sup> day of March, 2023.

Jana Brown, Deputy City Clerk

# CITY OF CARO

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SCOTT R. CZASAK  
CITY CLERK  
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## MEMORANDUM

TO: Caro City Council  
FROM: City Manager Scott R. Czasak  
DATE: Wednesday, March 15, 2023  
RE: Agenda Item X – Bid Award for 2022/2023 Sidewalk Project.

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Members of the Caro City Council,

As you are aware, late last year, a bid process was conducted for the annual list of sidewalk repairs, and no bids were received. Early in 2023, I put the package out for rebid and this round we were fortunate enough to receive three bids. After a review of the bids received, and a check of the math and qualifications of each bidder, it has been determined to award the project to Birmingham Sealcoat for their bid of \$184,170.10.

This was the lowest bid received and has the benefit of being both below our budgeted amount for this project, but it is also below the total assessment amount, which allows us to keep the costs down on this project and use those savings to improve the fund going forward.

Your options for motions are:

1. Motion to accept the recommendation of the City Manager to award the 2022/2023 Sidewalk Project contract to Birmingham Sealcoat in the amount of \$184,170.10 and allow the City Manager to sign any and all documents necessary to execute the agreement and schedule the work.
2. Reject the recommendation of the City Manager and instruct him to review the other bids.

## TABULATION OF BIDS

OWNER: City of Caro  
 PROJECT: 2022 Sidewalk Replacement Project  
 JOB NO.: 22L0074a  
 DATE: February 23, 2023

WORK DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT	Birmingham Sealcoat, Inc.	KMI Road Maintenance, LLC	Hunt Bros. Concrete Contractor, Inc.	Diamond Excavating, LLC	A.J. Rehms & Sons, Inc.
					UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE
<b>Section 1: Completion Date- June 30, 2023</b>									
Sidewalk, Rem	Syd	36	\$20.00	\$720.00	\$25.00	\$900.00	\$0.00	\$20.50	\$738.00
Tree Root, Grinding	Ea	15	\$45.00	\$682.50	\$150.00	\$2250.00	\$0.00	\$263.33	\$3,949.95
Sidewalk Grading, Green Belt	Syd	156	\$38.00	\$5,928.00	\$35.00	\$5,460.00	\$0.00	\$20.00	\$3,120.00
Driveway, HMA, 4 inch, Replacement	Syd	20	\$45.00	\$900.00	\$75.00	\$1,500.00	\$0.00	\$25.00	\$2,500.00
Pavt Repr, HMA	Ton	60	\$22.00	\$13,260.00	\$325.00	\$19,500.00	\$0.00	\$200.00	\$12,000.00
Curb and Gutter, Conc, Replacement	Ft	400	\$59.00	\$23,600.00	\$47.00	\$18,800.00	\$0.00	\$81.00	\$32,400.00
Detectable Warning Surface	Ft	45	\$8.00	\$360.00	\$427.50	\$1,750.00	\$0.00	\$48.00	\$2,160.00
Sidewalk Ramp, Conc, 4 inch, Replacement	Sft	325	\$6.50	\$2,112.50	\$10.50	\$3,412.50	\$0.00	\$30.00	\$9,750.00
Sidewalk, Conc, 4 inch, Replacement	Sft	12,670	\$5.58	\$68,368.60	\$8.00	\$101,360.00	\$0.00	\$9.75	\$123,532.50
Sidewalk, Conc, 6 inch, Replacement	Sft	3,090	\$8.00	\$24,720.00	\$9.75	\$30,127.50	\$0.00	\$11.50	\$35,535.00
Sidewalk, Reinf Conc, 8 inch, Replacement	Sft	900	\$11.50	\$10,350.00	\$12.50	\$12,150.00	\$0.00	\$22.00	\$19,800.00
Driveway, Reinf Conc, 8 inch, Replacement	Syd	60	\$5,520.00	\$331,200.00	\$121.50	\$7,290.00	\$0.00	\$165.00	\$9,900.00
Driveway, Nonreinf Conc, 6 inch, Replacement	Syd	20	\$72.55	\$1,451.00	\$87.75	\$1,755.00	\$0.00	\$150.00	\$3,000.00
Cement	Ton	2	\$35.00	\$700.00	\$225.00	\$450.00	\$0.00	\$750.00	\$1,500.00
Pavt Repr, Nonreinf Conc, 6 inch	Syd	5	\$88.00	\$440.00	\$91.00	\$455.00	\$0.00	\$275.00	\$1,375.00
<b>Subtotal of Section 1</b>									
					<b>\$184,170.10</b>	<b>\$209,685.30</b>	<b>\$0.00</b>	<b>\$261,260.45</b>	<b>\$0.00</b>
<b>Section 2: Completion Date- September 29, 2023</b>									
Sidewalk, Rem	Syd	36	\$20.00	\$720.00	\$25.00	\$900.00	\$30.00	\$1,080.00	\$0.00
Tree Root, Grinding	Ea	15	\$45.00	\$682.50	\$150.00	\$2250.00	\$500.00	\$7,500.00	\$0.00
Sidewalk Grading, Green Belt	Syd	156	\$38.00	\$5,928.00	\$35.00	\$5,460.00	\$20.00	\$3,120.00	\$0.00
Driveway, HMA, 4 inch, Replacement	Syd	20	\$45.00	\$900.00	\$75.00	\$1,500.00	\$100.00	\$2,000.00	\$160.00
Pavt Repr, HMA	Ton	60	\$22.00	\$13,260.00	\$325.00	\$19,500.00	\$400.00	\$24,000.00	\$3,200.00
Curb and Gutter, Conc, Replacement	Ft	400	\$56.00	\$23,600.00	\$47.00	\$18,800.00	\$500.00	\$20,000.00	\$350.00
Detectable Warning Surface	Ft	45	\$95.00	\$4,275.00	\$95.00	\$4,275.00	\$70.00	\$150.00	\$85.00
Sidewalk Ramp, Conc, 4 inch, Replacement	Sft	325	\$6.50	\$2,112.50	\$10.50	\$3,412.50	\$11.00	\$3,575.00	\$4,050.00
Sidewalk, Conc, 4 inch, Replacement	Sft	12,670	\$6.58	\$83,368.60	\$8.00	\$101,360.00	\$10.00	\$126,700.00	\$160.00
Sidewalk, Conc, 6 inch, Replacement	Sft	900	\$8.00	\$72,720.00	\$9.75	\$90,127.50	\$11.00	\$139,370.00	\$170.00
Driveway, Reinf Conc, 8 inch, Replacement	Syd	20	\$11.50	\$20,350.00	\$13.50	\$21,150.00	\$13.00	\$11,700.00	\$13,00
Driveway, Nonreinf Conc, 6 inch, Replacement	Syd	60	\$92.00	\$5,520.00	\$121.50	\$7,290.00	\$117.00	\$1,020.00	\$6,600.00
Cement	Ton	2	\$72.55	\$1,451.00	\$87.75	\$1,755.00	\$99.00	\$1,980.00	\$1,800.00
Pavt Repr, Nonreinf Conc, 6 inch	Syd	5	\$88.00	\$440.00	\$91.00	\$455.00	200	\$400.00	\$600.00
<b>Subtotal of Section 2</b>									
					<b>\$184,170.10</b>	<b>\$209,685.30</b>	<b>\$0.00</b>	<b>\$246,515.00</b>	<b>\$0.00</b>

**BIRMINGHAM  
SEALCOAT INC.**

2651 Metamora Rd  
Oxford, MI 48371  
248.647.8373  
[TimF@birminghamsealcoat.com](mailto:TimF@birminghamsealcoat.com)  
586.257.5425

**JOB REFERENCES**

**XPO Romulus**

2022 – Mill and Pave 224,000 SqFt w/ 15,000 SqFt FDR  
Paving – over 2,900 tons

6000 S Middlebelt Rd  
Romulus, MI

**Flint Public Library**

2021 – Parking lot stone placement, leveling, and wearing course paving  
Over 1,000 tons of stone and asphalt

1026 E Kearsley St  
Flint, MI

**Richmond High School**

2021 – Parking lot stone placement, leveling, wearing course paving, and  
site concrete  
Stone – over 4,000 tons | Paving – over 1,500 tons

35320 Division Rd.  
Richmond, MI

**Weingartz**

2021 – (3) Parking lot removal, grade/stone work, and placement  
(3) Locations: Utica, Livonia, Farmington Hills  
Total Stone – over 2,000 tons | Total Paving – over 2,500 tons

46061 Van Dyke Ave  
Utica, MI

39050 Grand River Ave  
Farmington Hills, MI

32098 Plymouth Rd  
Livonia, MI

# CITY OF CARO

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## MEMORANDUM

TO: Caro City Council  
FROM: City Manager Scott R. Czasak  
DATE: Wednesday, March 15, 2023  
RE: Agenda Item X – Bid Award for City Hall Parking Lot Project.

---

Members of the Caro City Council,

As you are aware, we are in the process of building a new parking lot for the Caro Municipal Building on lots we purchased in the rear of the current building. After the Planning Commission signed off on the Site Plan Review, we took the next step of putting the project out for bid. We received a number of bids, and after review of the bids and checking all the math, it is recommended we award the job to Diamond Excavating, LLC in the amount of \$406,191.50.

This was the lowest bid received, however, it is 7% higher than the price set in the budget for this project, mostly due to the increase in costs of materials since the project was budgeted in 2022. However, due to the pursuit of grant funding for other Capital projects, there is plenty of funding available in the Capital Outlay line to cover this higher cost, so no budget adjustment is required at this time.

Your options for motions are:

1. Motion to accept the recommendation of the City Manager to award the City Hall Parking Lot Project contract to Diamond Excavating, LCC in the amount of \$406,191.50 and allow the City Manager to sign any and all documents necessary to execute the agreement and schedule the work.
2. Reject the recommendation of the City Manager and instruct him to review the other bids.

## Bid Comparison

Contract ID: 22L0097

Description:

Location: Caro Parking Lot

Projects(s): 22L0097

Rank	Bidder	Total Bid	% Over Low	% Over Est.
0	ENGINEERS ESTIMATE	\$379,360.00	-6.60%	0.00%
1	(48423) Diamond Excavating LLC	\$406,191.50	0.00%	7.07%
2	(05656) Astec Asphalt, Inc.	\$432,280.35	6.42%	13.94%
3	(02169) Birmingham Sealcoat, Inc.	\$534,980.20	31.70%	41.02%

Line Description	Pay Item Code	Quantity	Units	(0) ENGINEER'S ESTIMATE Total	(1) Diamond Excavating LLC Total		(2) Astec Asphalt, Inc. Total	
					Bid Price	Total	Bid Price	Total
0001 155001	1 LSUM	1	LSUM	\$2,000.00	\$2,000.00	\$22,000.00	\$4,000.00	\$4,000.00
Maintaining Traffic								
0002 221001	1 LSUM	1	LSUM	\$1,500.00	\$1,500.00	\$1,000.00	\$1,000.00	\$1,000.00
Audio-Video Construction Area Survey								
0003 241001	250 Ft	250	Ft	\$20.00	\$5,000.00	\$16.00	\$4,000.00	\$20.00
Curb and Gutter, Rem								

125

Contract # 22L0097 (Caro Parking Lot)  
MERL: 2022.6.0

Page 1 of 7

3/13/2023 8:56:54 AM

Line	Pay Item Code	Quantity	Units	(0) ENGINEER'S ESTIMATE Bid Price	Total	(1) Diamond Excavating LLC Bid Price	Total	(2) Astec Asphalt, Inc. Bid Price	Total
0004	241005 Pavt, Rem	130	Syd	\$20.00	\$2,600.00	\$75.00	\$9,750.00	\$10.00	\$1,300.00
0005	241010 Sidewalk, Rem	150	Syd	\$10.00	\$1,500.00	\$20.00	\$3,000.00	\$4.00	\$600.00
0006	2600707 Site Lighting	1	LSUM	\$35,000.00	\$35,000.00	\$44,500.00	\$44,500.00	\$38,362.00	\$38,362.00
0007	3110024 Tree, Rem, 19 inch to 36 inch	5	Ea	\$1,500.00	\$7,500.00	\$2,950.00	\$14,750.00	\$1,800.00	\$9,000.00
0008	3110025 Tree, Rem, 37 inch or Larger	1	Ea	\$2,000.00	\$2,000.00	\$6,500.00	\$6,500.00	\$5,500.00	\$5,500.00
0009	3110030 Misc Structures, Rem	1	LSUM	\$5,000.00	\$5,000.00	\$750.00	\$750.00	\$500.00	\$500.00
0010	3123005 Earthwork	1	LSUM	\$55,000.00	\$55,000.00	\$24,000.00	\$24,000.00	\$42,000.00	\$42,000.00
0011	3125001 Soil Erosion and Sedimentation Control	1	LSUM	\$10,000.00	\$10,000.00	\$2,250.00	\$2,250.00	\$5,000.00	\$5,000.00
0012	3211024 Aggregate Base, 6 inch , Crushed Limestone	1,720	Syd	\$12.00	\$20,640.00	\$11.50	\$19,780.00	\$30.00	\$51,600.00
0013	3212008 Pavt Repr, HMA	80	Syd	\$50.00	\$4,000.00	\$50.00	\$4,000.00	\$37.50	\$3,000.00
0014	3212031 HMA, 3C	250	Ton	\$115.00	\$28,750.00	\$151.00	\$37,750.00	\$145.00	\$36,250.00
0015	3212060 HMA, LVSP	150	Ton	\$115.00	\$17,250.00	\$149.00	\$22,350.00	\$174.00	\$26,100.00
0016	3213023 Curb and Gutter, Conc, Det F2	460	Ft	\$30.00	\$13,800.00	\$32.75	\$15,065.00	\$28.00	\$12,880.00
0017	3213025 Curb and Gutter, Conc, Det F4	220	Ft	\$35.00	\$7,700.00	\$36.00	\$7,920.00	\$30.00	\$6,600.00
0018	3213035 Curb Ramp Opening, Conc	14	Ft	\$50.00	\$700.00	\$38.00	\$532.00	\$30.00	\$420.00
0019	3213070 Defectable Warning Surface	10	Ft	\$50.00	\$500.00	\$40.00	\$400.00	\$80.00	\$800.00

Line	Pay Item Code	Quantity	Units	(0) ENGINEER'S ESTIMATE Bid Price	Total	(1) Diamond Excavating LLC Bid Price	Total	(2) Astec Asphalt, Inc. Bid Price	Total
0020	3213076	120	Sft	\$10.00	\$1,200.00	\$12.50	\$1,500.00	\$10.00	\$1,200.00
	Sidewalk Ramp, Conc, 4 inch								
0021	3213086	660	Sft	\$8.00	\$5,280.00	\$6.00	\$3,960.00	\$7.00	\$4,620.00
	Sidewalk, Conc, 4 inch								
0022	3213087	310	Sft	\$10.00	\$3,100.00	\$8.25	\$2,557.50	\$8.00	\$2,480.00
	Sidewalk, Conc, 6 inch								
0023	3213099	340	Sft	\$14.00	\$4,760.00	\$10.55	\$3,587.00	\$12.00	\$4,080.00
	Sidewalk, Reinf Conc, 8 inch								
0024	3213107	90	Syd	\$110.00	\$9,900.00	\$85.00	\$7,650.00	\$108.00	\$9,720.00
	Driveway, Reinf Conc, 8 inch								
0025	3213125	1	Ton	\$300.00	\$300.00	\$100.00	\$100.00	\$300.00	\$300.00
	Cement								
0026	3217001	1	LSUM	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,800.00	\$1,800.00
	Pavement Markings								
0027	3231705	136	Ft	\$70.00	\$9,520.00	\$42.00	\$5,712.00	\$57.58	\$7,830.88
	Fence, Vinyl Privacy, 48 inch								
0028	3231706	128	Ft	\$75.00	\$9,600.00	\$55.00	\$7,040.00	\$54.70	\$7,001.60
	Fence, Vinyl Privacy, 72 inch								
0029	3231707	1	Ea	\$1,000.00	\$1,000.00	\$1,250.00	\$1,250.00	\$5,000.00	\$5,000.00
	Fence Gate, 48 inch Wide, for 72 inch Vinyl Privacy								
0030	3292001	1	LSUM	\$5,000.00	\$5,000.00	\$3,500.00	\$3,500.00	\$2,500.00	\$2,500.00
	Turf Establishment								
0031	3293001	1	LSUM	\$15,000.00	\$15,000.00	\$6,358.00	\$6,358.00	\$17,165.87	\$17,165.87
	Landscape								
0032	3305040	1	Ea	\$500.00	\$500.00	\$1,250.00	\$1,250.00	\$1,000.00	\$1,000.00
	Dr Structure Cover, Adj, Case 1								
0033	3305060	3	Ea	\$750.00	\$2,250.00	\$425.00	\$1,275.00	\$900.00	\$2,700.00
	Dr Structure Cover, Type B								
0034	3305060	1	Ea	\$750.00	\$750.00	\$395.00	\$395.00	\$1,000.00	\$1,000.00
	Dr Structure Cover, Type B , M1 Grate								
0035	3305068	4	Ea	\$900.00	\$3,600.00	\$750.00	\$3,000.00	\$1,250.00	\$5,000.00
	Dr Structure Cover, Type K								

Line	Pay Item Code	Description	Quantity	Units	(0) ENGINEER'S ESTIMATE Bid Price	Total	(1) Diamond Excavating LLC Bid Price	Total	(2) Astec Asphalt, Inc. Bid Price	Total
0036	3344021	Storm Sewer, Cl A, 8 inch, Tr Det B	261	Ft	\$60.00	\$15,660.00	\$100.00	\$26,100.00	\$70.00	\$18,270.00
0037	334454	Storm Sewer Tap, 12 inch	1	Ea	\$1,500.00	\$1,500.00	\$450.00	\$450.00	\$2,000.00	\$2,000.00
0038	3344500	Dr Structure, 24 inch dia	3	Ea	\$2,000.00	\$6,000.00	\$2,375.00	\$7,125.00	\$1,500.00	\$4,500.00
0039	3344501	Dr Structure, 48 inch dia	3	Ea	\$3,000.00	\$9,000.00	\$4,500.00	\$13,500.00	\$3,000.00	\$9,000.00
0040	3344502	Dr Structure, 60 inch dia	1	Ea	\$4,000.00	\$4,000.00	\$10,750.00	\$10,750.00	\$7,500.00	\$7,500.00
0041	3344502	Dr Structure, 60 inch dia , Outlet Control	1	Ea	\$5,000.00	\$5,000.00	\$10,750.00	\$10,750.00	\$10,000.00	\$10,000.00
0042	3344522	Dr Structure, Tap, 8 inch	1	Ea	\$500.00	\$500.00	\$450.00	\$450.00	\$2,500.00	\$2,500.00
0043	3344707	Storm Sewer Cleanout , Downspout Riser	1	Ea	\$1,000.00	\$1,000.00	\$495.00	\$495.00	\$2,000.00	\$2,000.00
0044	3344712	Underground Storm Water Storage System	1	LSUM	\$40,000.00	\$40,000.00	\$38,950.00	\$38,950.00	\$50,000.00	\$50,000.00
0045	3441001	Permanent Traffic Signs	1	LSUM	\$3,000.00	\$3,000.00	\$6,690.00	\$6,690.00	\$3,200.00	\$3,200.00
<b>Bid Totals:</b>					<b>\$379,360.00</b>		<b>\$406,191.50</b>		<b>\$432,280.35</b>	

Line	Pay Item Code	Quantity	Units	(3) Birmingham Sealcoat, Inc.	Bid Price	Total	Bid Price	Total
Description				Total				
0001	155001	1	LSUM	\$3,770.00	\$3,770.00	\$0.00	\$0.00	\$0.00
	Maintaining Traffic							
0002	221001	1	LSUM	\$1,200.00	\$1,200.00	\$0.00	\$0.00	\$0.00
	Audio-Video Construction Area Survey							
0003	241001	250	Ft	\$13.50	\$3,375.00	\$0.00	\$0.00	\$0.00
	Curb and Gutter, Rem							
0004	241005	130	Syd	\$24.50	\$3,185.00	\$0.00	\$0.00	\$0.00
	Pavt, Rem							
0005	241010	150	Syd	\$12.00	\$1,800.00	\$0.00	\$0.00	\$0.00
	Sidewalk, Rem							
0006	2600707	1	LSUM	\$60,500.00	\$60,500.00	\$0.00	\$0.00	\$0.00
	Site Lighting							
0007	3110024	5	Ea	\$2,800.00	\$14,000.00	\$0.00	\$0.00	\$0.00
	Tree, Rem, 19 inch to 36 inch							
0008	3110025	1	Ea	\$4,500.00	\$4,500.00	\$0.00	\$0.00	\$0.00
	Tree, Rem, 37 inch or Larger							
0009	3110030	1	LSUM	\$3,000.00	\$3,000.00	\$0.00	\$0.00	\$0.00
	Misc Structures, Rem							
0010	3123005	1	LSUM	\$62,200.00	\$62,200.00	\$0.00	\$0.00	\$0.00
	Earthwork							
0011	3125001	1	LSUM	\$3,840.00	\$3,840.00	\$0.00	\$0.00	\$0.00
	Soil Erosion and Sedimentation Control							
0012	3211024	1,720	Syd	\$21.25	\$36,550.00	\$0.00	\$0.00	\$0.00
	Aggregate Base, 6 inch , Crushed Limestone							
0013	3212008	80	Syd	\$150.50	\$12,040.00	\$0.00	\$0.00	\$0.00
	Pav Repr, HMA							
0014	3212031	250	Ton	\$125.00	\$31,250.00	\$0.00	\$0.00	\$0.00
	HMA, 3C							
0015	3212060	150	Ton	\$125.00	\$18,750.00	\$0.00	\$0.00	\$0.00
	HMA, LVSP							
0016	3213023	460	Ft	\$32.00	\$14,720.00	\$0.00	\$0.00	\$0.00
	Curb and Gutter, Conc, Det F2							

Line	Pay Item Code	Quantity	Units	(3) Birmingham Sealcoat, Inc.	Bid Price	Total	Bid Price	Total
Description				Total				
0017	3213025	220	Ft	\$37.00	\$8,140.00	\$0.00	\$0.00	\$0.00
Curb and Gutter, Conc, Det F4								
0018	3213035	14	Ft	\$50.00	\$700.00	\$0.00	\$0.00	\$0.00
Curb Ramp Opening, Conc								
0019	3213070	10	Ft	\$95.00	\$950.00	\$0.00	\$0.00	\$0.00
Detactable Warning Surface								
0020	3213076	120	Sft	\$13.00	\$1,560.00	\$0.00	\$0.00	\$0.00
Sidewalk Ramp, Conc, 4 inch								
0021	3213086	660	Sft	\$9.00	\$5,940.00	\$0.00	\$0.00	\$0.00
Sidewalk, Conc, 4 inch								
0022	3213087	310	Sft	\$10.00	\$3,100.00	\$0.00	\$0.00	\$0.00
Sidewalk, Conc, 6 inch								
0023	3213099	340	Sft	\$15.00	\$5,100.00	\$0.00	\$0.00	\$0.00
Sidewalk, Reinf Conc, 8 inch								
0024	3213107	90	Syd	\$120.00	\$10,800.00	\$0.00	\$0.00	\$0.00
Driveway, Reinf Conc, 8 inch								
0025	3213125	1	Ton	\$400.00	\$400.00	\$0.00	\$0.00	\$0.00
Cement								
0026	3217001	1	LSUM	\$1,200.00	\$1,200.00	\$0.00	\$0.00	\$0.00
Pavement Markings								
0027	32231705	136	Ft	\$90.00	\$12,240.00	\$0.00	\$0.00	\$0.00
Fence, Vinyl Privacy, 48 inch								
0028	32231706	128	Ft	\$99.00	\$12,672.00	\$0.00	\$0.00	\$0.00
Fence, Vinyl Privacy, 72 inch								
0029	32231707	1	Ea	\$4,500.00	\$4,500.00	\$0.00	\$0.00	\$0.00
Fence Gate, 48 inch Wide, for 72 inch Vinyl Privacy								
0030	3292001	1	LSUM	\$7,500.00	\$7,500.00	\$0.00	\$0.00	\$0.00
Fence								
0031	3293001	1	LSUM	\$34,706.40	\$34,706.40	\$0.00	\$0.00	\$0.00
Landscapeing								
0032	3305040	1	Ea	\$2,100.00	\$2,100.00	\$0.00	\$0.00	\$0.00
Dr Structure Cover, Adj, Case 1								

Line	Pay Item Code	Quantity	Units	(3) Birmingham Sealcoat, Inc.	Bid Price	Total	Bid Price	Total	Bid Price	Total
Description										
0033	3305060	3	Ea	\$1,290.00	\$3,870.00		\$0.00		\$0.00	\$0.00
	Dr Structure Cover, Type B									
0034	3305060	1	Ea	\$1,680.00	\$1,680.00		\$0.00		\$0.00	\$0.00
	Dr Structure Cover, Type B , M1 Grate									
0035	3305068	4	Ea	\$1,717.20	\$6,868.80		\$0.00		\$0.00	\$0.00
	Dr Structure Cover, Type K									
0036	3344021	261	Ft	\$105.00	\$27,405.00		\$0.00		\$0.00	\$0.00
	Storm Sewer, CIA, 8 inch, Tr Det B									
0037	3344454	1	Ea	\$5,400.00	\$5,400.00		\$0.00		\$0.00	\$0.00
	Storm Sewer Tap, 12 inch									
0038	3344500	3	Ea	\$3,332.40	\$9,997.20		\$0.00		\$0.00	\$0.00
	Dr Structure, 24 inch dia									
0039	3344501	3	Ea	\$5,223.60	\$15,670.80		\$0.00		\$0.00	\$0.00
	Dr Structure, 48 inch dia									
0040	3344502	1	Ea	\$8,934.00	\$8,934.00		\$0.00		\$0.00	\$0.00
	Dr Structure, 60 inch dia									
0041	3344502	1	Ea	\$15,600.00	\$15,600.00		\$0.00		\$0.00	\$0.00
	Dr Structure, 60 inch dia , Outlet Control									
0042	3344522	1	Ea	\$3,000.00	\$3,000.00		\$0.00		\$0.00	\$0.00
	Dr Structure, Tap, 8 inch									
0043	3344707	1	Ea	\$1,566.00	\$1,566.00		\$0.00		\$0.00	\$0.00
	Storm Sewer Cleanout , Downspout Riser									
0044	3344712	1	LSUM	\$44,100.00	\$44,100.00		\$0.00		\$0.00	\$0.00
	Underground Storm Water Storage System									
0045	3441001	1	LSUM	\$4,600.00	\$4,600.00		\$0.00		\$0.00	\$0.00
	Permanent Traffic Signs									
										<b>\$534,980.20</b>
										<b>Bid Totals:</b>



**DiamondExcavating21@gmail.com**  **810-658-2638**

**4340 N State Rd Davison MI 48423**

## **Job References**

1. Project Name: SAD #3  
Project Owner: Genesee County Road Commission, Gerrad Godley 810-730-9105  
Project Total: \$2.1 million  
Project Description: Heavy industrial roadway and storm sewer complete reconstruct.
  
2. Project Name: Grandville Estates  
Project Owner: Genesee County Road Commission, Gerrad Godley 810-730-9105  
Project Total: \$738,000  
Project Description: Residential subdivision reconstruction.
  
3. Project Name: 2022 Storm Sewer  
Project Owner: Village of Ortonville, Ryan Madis 248-627-4976 ext 123  
Project Total: \$375,000  
Project Description: Storm sewer reconstruction / roadway rehabilitation
  
4. Project Name: 2022 Street Improvements  
Project Owner: City of Grand Blanc, DPW Director Matt Wurtz 810-397-6791  
Project Total: \$1.4 million  
Project Description: Reconstruction of nine city streets.
  
5. Project Name: Davison 2022 Site Improvements  
Project Owner: Davison Community Schools, Phil Thom 810-931-1994  
Project Total: \$ 3.2 million  
Project Description: District wide, multiple location parking lot and infrastructure reconstruction.
  
6. Project Name: Various parking lot and infrastructure reconstruction projects  
Project Owner: Kearsley Community Schools, Dan Jerome 248-656-1377  
Project Total: Over 4 million in total  
Project Description: Site balancing, utilities, aggregate, paving, site concrete etc.
  
7. Project Name: 2020 Pavement Improvements  
Project Owner: GISD, Karl Lang 810-955-0602  
Project Total: \$920,000  
Project Description: Various parking lot and storm sewer updates and full depth reconstruction.



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**4340 N State Rd Davison MI 48423**

### **Diamond Excavating LLC Subcontractor List**

#### **City Hall Parking Lot, Caro**

- Electrical: Wilson Electric
  - 5440 N. Irish Rd, Davison MI 48423
- Concrete: Professional Concrete
  - 4305 Commerce Dr, Flushing MI 48433
- HMA: Chippewa Asphalt
  - 2415 E Vienna Rd, Clio MI 48420
- Landscaping: Stull's Landscaping
  - 4272 N Vassar Rd, Flint MI 48506
- Audio/Video: Finishing Touch Photo & Video
  - 25095 25 Mile Rd, Chesterfield MI 48051
- Fence: All American Fence
  - 25095 25 Mile Rd, Chesterfield MI 48051

# CITY OF CARO

MANAGER  
SCOTT R. CZASAK  
CLERK  
RITA PAPP  
TREASURER  
MICHELE PERRY  
ATTORNEY  
LAURA GENOVICH

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CITY COUNCIL  
BOB ESCHENBACHER  
CHARLOTTE KISH  
EMILY CAMPBELL  
JILL WHITE  
PAM ISELER

TO: City Council  
City Manager – Scott Czasak  
FROM: Michele Perry, Treasurer  
SUBJECT: Certificate of Deposit Report  
DATE: March 15, 2023

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We have the following Certificate(s) of Deposit(s) maturing.

Financial Institute	Current	Interest	Current	Maturity	Plan of Action at Renewal
	Term	Rate	Balance	Date	Date
Huntington Bank	120 days	2.85%	269,140.80	3/28/2023	Move to Independent Bank into a 21 day CD

At a meeting a couple weeks ago with Independent Bank representatives they explained the Insured Cash Sweep (ICS) account which is an account that is set up with a checking and the target balance on the checking is zero so every night the funds are swept into the ICS account. The advantages of the ICS are multi-million-dollar FDIC insurance protection, interest rate is higher than a checking, and it is liquid. I would like to work towards setting up an ICS account with at least \$1 million dollars in it.

In order to keep the focus on setting the Insured Cash Sweep (ICS) account at Independent Bank I would like to cash out the above certificate of deposit at Huntington Bank and move it to Independent Bank into a 21 day certificate of deposit at the current rate on that date. The rate as of the March 13, 2023 rate sheet from Independent Bank is 4.00%.

**Action:**

Option 1: Approve City Treasurer to close the above CD at Huntington Bank and open one new 21 day CD's at Independent Bank at the current interest rate.

Option 2: Deny action of the above CD.

# CITY OF CARO

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CHARLOTTE KISH  
JILL WHITE

## MEMORANDUM

TO: Caro City Council  
FROM: City Manager Scott R. Czasak  
DATE: Wednesday, March 15, 2023  
RE: Agenda Item X – Wireless Water Meter Pilot Program

---

Members of the Caro City Council,

Previously, the City Council agreed to participate in a pilot program with Michigan Pipe and Valve to test the viability of using wireless remote water meter readers. This program has proven to be greatly beneficial as it reduces the labor costs of meter reading, and allows us to notice quickly if someone has high usage before the bimonthly read.

25 of these readers have been installed and used for the past year and we would like to continue to use these readers, therefore we have an invoice in the amount of \$16,266.00 to keep the 25 meters we have already installed and obtain the necessary software to continue to use these meters going forward.

Of note, we are planning on budgeting to expand use of these meters going forward, and purchasing meters is also part of the ask from the Drinking Water State Revolving Fund which was discussed at a previous meeting. This invoice is a necessary first step towards moving all of our meters to this system. Our Utility Billing Department ran some numbers, and they believe this system will save over \$8,000 per year in labor costs, and noted we wrote down another \$8,000 in high meter reads which would be eliminated by these meters, thereby saving the taxpayers money, and possibly preventing a problem before it gets too large.

Your options for motions are:

1. Authorize payment of the invoice from Michigan Pipe and Valve for \$16,266.00 for the radio water meter reading system pilot program.
2. Deny payment of the invoice.
3. Table for further consideration at a later date and time.



# PRICE QUOTE

MPV- Saginaw  
596 Kochville Rd.  
Saginaw, MI 48604

Phone 989-752-7911  
Fax 989-752-7970

Page 1

Printed 02/22/23 MB

**Quoted**

CITY OF CARO  
317 S STATE ST  
CARO MI 48723  
Buyer: MBROWN  
Tel: 989-673-7671 Fax: 989-673-7310

**Ship To**

CITY OF CARO  
317 S STATE ST  
CARO MI 48723

Quote #	Quote Date	Exp Date	Customer #	Customer P/O #	Ship Via	Writer	
Job ID	Customer Terms				Salesman		
Product	Description			UM	Quant	Unit Price	Extension
		<b>RADIO INTERFACE</b>		.....	.....	.....	.....
SP	STEALTH 2 W/5' WIRE MIU		EA	25	125.00	3125.00	
	<b>Total: RADIO INTERFACE</b>			1	<b>3125.00</b>	<b>3125.00</b>	
		<b>ANDROID SOFTWARE</b>		.....	.....	.....	.....
SP	ANDROID SOFTWARE		EA	1	1800.00	1800.00	
	<b>Total: ANDROID SOFTWARE</b>			1	<b>1800.00</b>	<b>1800.00</b>	
		<b>STEALTH AMI PILOT HARDWARE AND INFRASTRUCTURE</b>		.....	.....	.....	.....
SP	STEALTH COLLECTOR (ZS COLL-CEL		EA	1	4500.00	4500.00	
SP	STEALTH MIU REPEATER		EA	1	125.00	125.00	
	<b>Total: STEALTH AMI PILOT HARDWARE AND INFRASTRUCTURE</b>			1	<b>4625.00</b>	<b>4625.00</b>	
		<b>PROJECT MANAGEMENT INSTALLATION/TRAINING</b>		.....	.....	.....	.....
SP	PROJECT MANAGEMENT		EA	1	1600.00	1600.00	
SP	STEALTH VISION SOFTWARE TRNG		EA	2	1600.00	3200.00	
SP	STEALTH INSTALLATION TRNG		EA	1	1600.00	1600.00	
	<b>Total: PROJECT MANAGEMENT INSTALLATION/TRAINING</b>			1	<b>6400.00</b>	<b>6400.00</b>	
		<b>ACCESSORIES AND OTHER</b>		.....	.....	.....	.....
SP	STEALTH PIT INSTALL KITS		EA	1	4.00	4.00	
SP	STEALTH INDOOR KIT		EA	26	12.00	312.00	
	<b>Total: ACCESSORIES AND OTHER</b>			1	<b>316.00</b>	<b>316.00</b>	

Continue...



## PRICE QUOTE

MPV - Saginaw  
596 Kochville Rd.  
Saginaw, MI 48604

Phone 989-752-7911  
Fax 989-752-7970

Page 2

Printed 02/22/23 MB

Quoted

CITY OF CARO  
317 S STATE ST  
CARO MI 48723  
Buyer: MBROWN  
Tel: 989-673-7671 Fax: 989-673-7310

CITY OF CARO  
317 S STATE ST  
CARO MI 48723

## MESSAGE

**MPV full terms apply a complete set will be sent upon request.**

## TERMS

All prices are good for orders shipped within 30 days of quotation date. Quoted price is subject to change if specification changes. Ductile Iron Pipe may be billed at a higher price.

# CITY OF CARO

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SCOTT R. CZASAK  
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CHARLOTTE KISH  
JILL WHITE

**TO:** Scott Czasak, City Manager  
**CC:** Council, Department Heads  
**FROM:** Michele Perry, Treasurer  
**DATE:** February 20, 2023  
**RE:** Proposed Budget Timeline for FY 2023-2024

---

February 22, 2023 – Budget/CIP forms sent to Department Heads  
March 8, 2023 – Budget/CIP forms due to City Manager & Treasurer  
March 28, 2023 – Planning Commission meeting to approve Capital Improvements Plan  
March, 29, 2023 (tentative date)– Budget/CIP workshop with City Council  
April 5, 2023 (tentative date) – Budget/CIP workshop with City Council  
April 17, 2023 (tentative date)– City Manager presents recommended budget to City Council  
April 17, 2023 – Set budget public hearing  
May 1, 2023 – Budget public hearing and Council adopt budget; adopt millage rate and fee schedule  
July 1, 2023 – FY 2023-2024 budget begins

Budget deadlines set by charter:

-On or before April 30 each year the city manager shall submit to the council a recommended budget for the next fiscal year which, considering any anticipated unexpended balance or deficit at the end of the current fiscal year, is within the tax limit and other anticipated revenue of the city.

-Before its final adoption, a public hearing on the budget proposal shall be held as provided by statute. Notice of the time and place of holding such hearing shall be published in a newspaper having general circulation in the city at least one (1) week in advance thereof. A copy of the proposed budget shall be on file and available to the public during office hours at the office of the city clerk for a period of not less than one (1) week prior to such public hearing.

-The council shall, not later than June 30, adopt a balanced budget for the ensuing fiscal year and make appropriations therefore. After consideration of probable other revenues the council by resolution shall determine and declare the amount of money necessary to be raised by property taxation, which amount shall not be greater than otherwise limited in this charter or by general law.

# CITY OF CARO

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JILL WHITE  
VACANT

I went to the Downtown Development Authority's noon meeting on March 8, 2023 where several items of interest were discussed.

On Thursday, March 9, 2023 the City Manager Scott Czasak and myself had the opportunity to attend the grand opening of the ribbon cutting and first dollar presentation for United Title Agency Company located at 429 N. State Street.

Attended the Caro Rotary on March 6 and 13, the clerk, city manager and myself had the opportunity to hear a presentation regarding "Every Child Deserves a Great Start" by Rachael Koepf, Great Start Collaborative Director for Tuscola County.

I attended the Indianfields Township meeting on March 13, 2023 as well as City Manager Scott Czasak who has been recently appointed as liaison to their meetings and Clerk Rita Papp. It just happened to be their 2023/2024 budget public hearing meeting so I found that interesting to see how other budget hearings are held.

Council member Emily Campbell and myself attended the Almer Township meeting on March 14, 2023 and they also had their budget public hearing. Their budgets run from April 1- March 30 while the city budget runs July 1 – June 30. It was a great opportunity to be present at both the Indianfields and Almer Townships meetings.

Economic Development Corporation meeting was cancelled for March 15, 2023 due to Chair and Vice-Chair being out of town. It has been rescheduled for March 22, 2023 at 7:30 a.m.

As we discussed at the past Council meeting, please don't forget that Megan Bierlein from Frankenmuth Bible Church is working with the City Manager at doing a large-scale community service project for the Caro community on October 29 and have done these in the past using approximately 400 volunteers. Any ideas for this project needs to be submitted to the City Manager.

Council members need to get their comments as to tree planting to the City Manager as soon as possible.

Council Member Kish and myself will be attending the May 19-20 classes in Bay City in person. The first day is the Elected Officials Academy-Core Weekender and covers Legal Framework, Leadership Roles and Responsibilities, Financial Management and Planning and Zoning. The second day is the Advanced Academy and includes formal presentations about municipal budgeting, understanding financial statements and audits, priority-based budgeting, utility rate settings, ServeMiCity, and funding community projects.

Mayor Karen Snider

# CITY OF CARO

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JILL WHITE

## MEMORANDUM

TO: Caro City Council  
FROM: City Manager Scott R. Czasak  
DATE: Wednesday, March 15, 2023  
RE: City Manager's Report

---

Members of the Caro City Council,

As budget season rolls into town, I have been in multiple meetings in order to facilitate development of the FY2023/2024 budget. I cannot thank Treasurer Michelle Perry enough for all of her hard work with me during this process, as well as all the Department Heads, DDA Chair Bauerschmidt, and all others who have been an active part of this process. I can state generally at the moment our budget is shaping up to be what I would refer to as a maintenance budget, as we have some big ticket projects like roofs and parking lots to attend to, in addition to all of our normal operations.

I also had a busy schedule of meetings, in addition to my usual Rotary and meetings with department heads, and staff, I attended the monthly Chamber of Commerce Board Meeting, as well as a meeting of "Thumb Nuts" which is a meeting of the Municipal Managers in the Thumb area. I was pleased to be able to interact with some of our neighbors in this setting, and discuss various issues. I was particularly pleased to meet my counterpoint from Vassar, who wanted to meet sometime down the road to discuss possible collaborations with our nearest city neighbor.

Also, our Department Head meeting with Michigan Municipal Risk Management Association to discuss various grant opportunities which could be used to obtain equipment or training in order to reduce various risks going forward. I can speak for myself when I say I will be taking advantage of some of these grants to obtain training opportunities thorough MSU Extension in order to become a better City Manager.

In an update to my last report, I received a letter from the Environmental Protection Agency (EPA) confirming the report I submitted in response to their notice we were in arrears was accepted and we are now confirmed to be in complete compliance with all relevant federal acts. However, I saw a news article today which said the EPA are contemplating a rule which would require water systems to begin testing for PFAS (per- and polyfluorinated substances) which do not break down and have been linked to various health issues. I will monitor this and if it requires our water system to add a new layer of testing I will work with DPW Director Reese to ensure we have the capabilities needed if this indeed comes to pass.

Lastly, I registered for the Michigan Municipal League's Capital Conference on April 18-19 in Lansing. There are various topics to be covered which I think will be greatly beneficial for Caro, including housing issues, holding elections after Proposal 2, a discussion with the MI Treasury Department about issues facing local governments, etc. I am also looking forward to interacting with elected and appointed leaders from other local municipalities in Michigan, which in my experience can always be valuable, as one of the adages I always try to keep in mind is that it is not necessarily what you know, but who you know.

# CITY OF CARO

CITY MANAGER  
SCOTT CZASAK  
CITY CLERK  
RITA PAPP  
CITY TREASURER  
MICHELE PERRY  
CITY ATTORNEY  
LAURA GENOVICH

317 South State Street  
Caro MI 48723  
Phone 989-673-2226  
Fax 989-673-7310  
Website [www.carocity.net](http://www.carocity.net)

MAYOR  
JOE GREENE  
CITY COUNCIL  
BOB ESCHENBACHER  
EMILY CAMPBELL  
PAMELA ISELER  
CHARLOTTE KISH  
JILL WHITE  
VACANT

**TO:** City Council/City Manager  
**FROM:** Rita Papp – City Clerk  
**SUBJECT:** Clerk's Report  
**DATE:** March 20, 2023

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- Attended Department Head MMRMA Meeting – March 15, 2023.
- Attended Bid Opening for City Hall Parking Lot – March 10, 2023
- Attended the DDA Regular Meeting – March 8, 2023.
- Attended the DDA Special Meeting – March 16, 2023
- Attended Tuscola County Clerks Association Meeting – March 9, 2023
- Continuing to attend Rotary Meetings.
- Submitted the 2023-2024 Election & Clerk Budget to Treasurer.
- Posted the City Council Vacancy, deadline is March 31<sup>st</sup> at 5:00 pm.
- Posted the DDA Vacancies (2), deadline is April 3<sup>rd</sup> at 5:00 pm.
- Posted the Seasonal Employees (4), deadline is March 31<sup>st</sup> at 5:00 pm.
- Jana attended her first year at Clerk's Institute – March 12 – 17, 2023 and I will be attending my second year, March 19 – 24, 2023. Clerk's Institute is a 3-year program partnering with Central Michigan University. Upon completion, we will be certified MiPMC (Michigan Professional Municipal Clerks)

# CITY OF CARO

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JILL WHITE  
EMILY CAMPBELL  
CHARLOTTE KISH

TO: City Council  
City Manager – Scott Czasak  
FROM: Michele Perry, Treasurer  
SUBJECT: Treasurer's Report  
DATE: March 15, 2023

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- Attended the City Council meetings in February 2023
- Attended the policy committee meetings in March.
- Attended DDA regular meeting and special meetings in March.
- Attended a meeting with Michigan Municipal Risk Management Authority to review the many grant opportunities they have available to the City. I will be working with other department heads to write some grants for items that fit within the guidelines.
- City Manager Czasak and myself have worked with Scott Hogan of Foster Swift Collins & Smith PC the City's attorney to write up the Installment Purchase Agreement and Note for the fire truck purchase. The Installment Purchase Agreement was also sent to Independent Bank for their approval.
- Worked with Hubbell, Roth and Clark to provide them information needed for the wastewater treatment plant updates.
- Started preparing the budget for fiscal year 2023/2024.
- Update on CDBG funding related to the Farmer's Market pavilion:
  - We received \$32,241.50 from the MEDC for the CDBG.
- Blight elimination program: waiting to hear from the Tuscola County Land Bank to see if they were awarded the grant.
- Continue to review various policies with City Manager Czasak and City Clerk Papp to continue updating policies.
- The Treasurer's Office has been busy over the last month with the following items:
  - Collecting Summer and Winter taxes payments
  - Collecting utility payments
  - Mailing out utility bills
  - Mailing out city bill payments
  - Receiving and tracking responses from residences regarding the way in which they are opting to pay for the sidewalk invoices for the sidewalk projects from 2021 completed in spring of 2022.
- Settled tax collections with Tuscola County Treasurer on March 7, 2023.
- The Treasurer's Office has implemented some new procedures for office security which have been working well.
- The new vestibule has been completed and the ADA compliant openers have been added to the existing and new door. We have had several compliments on the vestibule and the doors.
- Assisted in covering the front desk during staff lunches and vacations.