



301 East Main Street
Lowell, Michigan 49331
Phone (616) 897-8457
Fax (616) 897-4085

CITY OF LOWELL
DOWNTOWN DEVELOPMENT AUTHORITY
THURSDAY, NOVEMBER 10, 2016
12 NOON

AT

LOWELL CITY HALL
COUNCIL CHAMBERS
SECOND FLOOR
301 EAST MAIN STREET

1. CALL TO ORDER; ROLL CALL
2. APPROVAL OF THE AGENDA
3. APPROVAL MINUTES OF PREVIOUS MEETING(S)
 - a) October 24, 2016 Special Meeting
4. TREASURER'S REPORT
5. PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA
6. OLD BUSINESS
 - a) Downtown Development Plan
 - b) South Monroe Parking - Update
 - c) Economic Development
7. NEW BUSINESS
 - a) Purchase of a S550 T4 Bobcat Skid-Steer Loader and Caterpillar 926 M Wheel Loader
 - b) Sidewalks
8. REPORTS AND MEMBER COMMENTS
9. ADJOURNMENT

**OFFICIAL PROCEEDINGS
OF THE
DOWNTOWN DEVELOPMENT AUTHORITY
OF THE
CITY OF LOWELL
MONDAY, OCTOBER 24, 2016**

1. **CALL TO ORDER; ROLL CALL**

The Meeting was called to order at 12:12 p.m. by Chair Jim Reagan.

Present: Jeff Altoft, Brian Doyle, Mike Larkin, Dean Lonick, Mike Sprenger, Cliff Yankovich and April McClure and Chair Reagan.

Absent: Rita Reister.

Also Present: City Manager Mike Burns, City Clerk Susan Ullery, City Treasurer Sue Olin, DPW Director Rich LaBombard,

2. **APPROVAL OF THE AGENDA**

IT WAS MOVED BY SPRENGER and seconded by MCCLURE to approve the agenda as written.

YES: 8. NO: 0. ABSENT: 1. MOTION CARRIED.

4. **PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA**

No public comments were received.

5. **NEW BUSINESS**

a. **Sidewalk Funding.**

DPW Director Rich LaBombard stated back in August discussion was held regarding doing an inspection of all the sidewalks within the DDA District. Epic Excavating, Inc. repaired the last sidewalk repairs and has been asked again to submit a quote to extend the contract for additional sidewalk repair within the DDA District.

LaBombard provided a list of the sidewalks, as well as a driveway approach (Veterans parking lot). Also, approach to Trombly Chiropractic will be included this time as well. He also included the deficiency criteria that has been used for sidewalk and driveway repairs.

Chair Reagan wanted to insure that all sidewalks are included within the DDA district. LaBombard responded yes.

City Manager Burns noted the amount requested was not included in approved DDA budget. Therefore, a recommendation would need to be made to the City Council to amend the budget.

LaBombard noted future criteria will also include the ADA criteria.

Boardmember Lonick questioned the anticipated work load for next year? LaBombard believed they would not have to come back to the DDA for a couple years.

Lonick confirmed with City Treasurer Sue Olin that there is a budget line item for Capital Outlay. Olin responded yes. Therefore, it would not be necessary to amend the budget.

IT WAS MOVED BY DOYLE and supported by LONICK to provide sidewalk funding within the DDA District not to exceed \$34,047.25.

YES: 8. NO: 0. ABSENT: 1. MOTION CARRIED.

6. **REPORTS AND MEMBER COMMENTS.**

Chair Reagan noted LowellArts! will receive funding for their handicapped ramp once it is completed.

Boardmember Yankovich stated the lighting in the S. Monroe parking lot looks great.

City Manager Burns noted the DDA will receive a presentation from City Attorney Richard Wendt regarding potential modifications to the DDA.

As an information item DPW Director Rich LaBombard stated they wish to insert a sleeve where the existing Christmas tree will be replaced with another one that has been donated to the community.

The meeting was adjourned at 12:31 p.m.

Date:

APPROVED:

James E. Reagan, Chair

Susan Ullery, City Clerk

DOWNTOWN DEVELOPMENT AUTHORITY FUND
FINANCIAL STATEMENT
November 9, 2016

Beginning Balance:	\$378,716.20
Revenue:	
TIFA Revenue	324,912.03
Interest	
Misc.	
Total Revenues	\$703,628.23
Expenditures:	
Capital Outlay	\$35,000.00
Salaries/FICA	\$10,647.28
Maintenance Supplies	\$18,914.05
Utilities	\$4,246.66
Misc. and Community Promotions	\$1,361.03
Accrued Wages	\$2,329.17
Accrued payables	\$87,214.84
Administration	\$2,417.21
Prof. Services	\$1007.30
Transfer to General Fund	
<i>Total Expenditures:</i>	\$163,137.54
Ending Balance	\$540,490.69

Capital outlay appropriated

\$ 13,447.00 exterior handicap accessibility Lowell Arts

\$ 34,047.25 downtown sidewalk

CHECK DISBURSEMENT REPORT FOR CITY OF LOWELL
 CHECK DATE FROM 08/04/2016 - 11/09/2016

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 248 DOWNTOWN DEVELOPMENT AUTHORITY							
08/04/2016	GEN	68160	MUNDT, THERESA	COMMUNITY PROMOTION	880.000	740	63.84
08/05/2016	GEN	68163	AQUARIUS LAWN SPRINKLING INC	REPAIR & MAINTENANCE	930.000	463	346.07
08/05/2016	GEN	68167	CANFIELD PLUMBING & HEATING IN	REPAIR & MAINTENANCE	930.000	463	467.00
08/05/2016	GEN	68183	KERKSTRA PORTABLE, INC.	COMMUNITY PROMOTION	880.000	740	180.00
08/05/2016	GEN	68190	O'LEARY PAINT	REPAIR & MAINTENANCE	930.000	463	617.10
08/05/2016	GEN	68202	X-CEL CHEMICAL SPECIALTIES CO.	REPAIR & MAINTENANCE	930.000	463	156.00
				REPAIR & MAINTENANCE	930.000	463	78.00
				CHECK GEN 68202 TOTAL			<u>234.00</u>
08/12/2016	GEN	68205	BERNARDS ACE HARDWARE	REPAIR & MAINTENANCE	930.000	463	7.98
08/12/2016	GEN	68216	EVERGREEN UNDERGROUND, INC.	REPAIR & MAINTENANCE	930.000	463	323.90
08/12/2016	GEN	68228	LOWELL LIGHT & POWER	PUBLIC UTILITIES	920.000	463	509.41
				REPAIR & MAINTENANCE	930.000	463	294.87
				CHECK GEN 68228 TOTAL			<u>804.28</u>
08/12/2016	GEN	68230	MAG PLUMBING SERVICE LLC	REPAIR & MAINTENANCE	930.000	463	98.82
08/12/2016	GEN	68239	SITONE LANDSCAPE SUPPLY LLC	REPAIR & MAINTENANCE	930.000	463	44.49
08/12/2016	GEN	68245	TRACTOR SUPPLY CREDIT PLAN	OPERATING SUPPLIES	740.000	463	15.96
				REPAIR & MAINTENANCE	930.000	463	11.97
				CHECK GEN 68245 TOTAL			<u>27.93</u>
08/18/2016	GEN	68257	ECKMAN, JOEL	REPAIR & MAINTENANCE	930.000	463	3,600.00
08/18/2016	GEN	68262	GREATER LOWELL CHAMBER FOUND.	COMMUNITY PROMOTION	880.000	740	6,000.00
08/18/2016	GEN	68279	MILL CREEK FARM LLC	OPERATING SUPPLIES	740.000	463	43.20
08/18/2016	GEN	68285	SHOWBOAT AUTOMOTIVE SUPPLY	REPAIR & MAINTENANCE	930.000	463	8.90
08/18/2016	GEN	68289	THORNAPPLE RIVER NURSERY, INC.	REPAIR & MAINTENANCE	930.000	463	453.00
08/18/2016	GEN	68293	WILLIAMS & WORKS INC.	PROFESSIONAL SERVICES	801.000	450	1,007.30

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 248 DOWNTOWN DEVELOPMENT AUTHORITY							
09/08/2016	GEN	68326	BC PIZZA	COMMUNITY PROMOTION	880.000	740	65.39
09/08/2016	GEN	68327	MUNDT, MARK	COMMUNITY PROMOTION	880.000	740	11.96
09/13/2016	GEN	68344	ECO GREEN SUPPLY	OPERATING SUPPLIES	740.000	463	149.70
09/13/2016	GEN	68360	LOWELL LIGHT & POWER	PUBLIC UTILITIES	920.000	463	915.06
09/13/2016	GEN	68394	TRACTOR SUPPLY CREDIT PLAN	REPAIR & MAINTENANCE	930.000	463	136.21
09/20/2016	GEN	68402#	PETTY CASH	OPERATING SUPPLIES	740.000	463	24.77
				COMMUNITY PROMOTION	880.000	740	3.50
				COMMUNITY PROMOTION	880.000	740	5.00
				CHECK GEN 68402 TOTAL			33.27
09/21/2016	GEN	68416	SPLASH IRRIGATION INC	REPAIR & MAINTENANCE	930.000	463	4,200.00
09/28/2016	GEN	68443	LOWELL AREA RECREATION AUTH.	CAPITAL OUTLAY	970.000	450	35,000.00
10/06/2016	GEN	68477	KERKSTRA PORTABLE, INC.	COMMUNITY PROMOTION	880.000	740	180.00
10/06/2016	GEN	68478	LOWELL AREA CHAMBER	COMMUNITY PROMOTION	880.000	740	794.90
10/06/2016	GEN	68481	LOWELL LIGHT & POWER	PUBLIC UTILITIES	920.000	463	485.05
10/13/2016	GEN	68502	BERNARDS ACE HARDWARE	OPERATING SUPPLIES	740.000	463	12.46
10/13/2016	GEN	68536	SELF SERVE LUMBER	REPAIR & MAINTENANCE	930.000	463	89.91
10/13/2016	GEN	68541	TIP TOP GRAVEL CO.	REPAIR & MAINTENANCE	930.000	463	39.49
10/27/2016	GEN	68581	PETTY CASH	COMMUNITY PROMOTION	880.000	740	15.26
10/28/2016	GEN	68599	MUNDT, THERESA	OPERATING SUPPLIES	740.000	463	9.35
10/28/2016	GEN	68607	WILLIAMS & WORKS INC.	PROFESSIONAL SERVICES	801.000	450	75.29
				PROFESSIONAL SERVICES	801.000	450	242.96
				CHECK GEN 68607 TOTAL			318.25
11/03/2016	GEN	68628	KERKSTRA PORTABLE, INC.	COMMUNITY PROMOTION	880.000	740	180.00
11/03/2016	GEN	68631	LITTES PLUS, INC.	OPERATING SUPPLIES	740.000	463	1,296.00

11/09/2016 09:53 AM
User: SUE
DB: Lowell1

CHECK DISBURSEMENT REPORT FOR CITY OF LOWELL
CHECK DATE FROM 08/04/2016 - 11/09/2016

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
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Fund: 248 DOWNTOWN DEVELOPMENT AUTHORITY
Total for fund 248 DOWNTOWN DEVELOPMENT AUTHORITY 58,260.07

'#'-INDICATES CHECK DISTRIBUTED TO MORE THAN ONE DEPARTMENT



**LOWELL CITY COUNCIL
MEMORANDUM**

DATE: November 9, 2016

**TO: Downtown Development Authority Board of
Directors**

FROM: Michael T. Burns, City Manager MS

RE: Skid Steer and Front End Loader

Attached is a request from the DPW for a new Front End Loader and a Skid Steer. They are asking for the City to upgrade the current Skid Steer and Front End Loader for operations in the Department of Public Works. The two pieces of equipment will need to be purchased by installment purchasing in order to have less budget impact to the City. I asked the DPW Director Rich LaBombard to track the percentage of usage for each piece of machinery for a fiscal year. I learned that the DDA paid for 22 percent of the rentals charged by the Equipment Fund to use the Front End Loader and nearly 40 percent of the rentals for the Skid Steer.

We calculated the cost of the two pieces of equipment and we suspect that we will have to make installment payments of nearly \$50,000 a year for five to seven years based on how we finance each piece of equipment.

Equipment maintenance and purchasing usually is paid for from the Equipment Fund in the City Budget. As of today, there is approximately \$165,000 in the Equipment Fund. In addition, the DDA has a healthy fund balance in reserve. While this is not a budgeted item, I would like to propose the following option. I am asking the DDA to consider assisting with the financing payments based on the estimated usage for each machine. Rather than charging the equipment fund for usage, I would like to transfer a percentage of funds from the DDA up front to the Equipment fund to assist with the financing of the new machines. We would not charge lease rentals for the equipment unless your hours equivalent was more than the percentage of financing payments. Each machine's percentage would be the following.

- Front end loader – 25% of annual financing payment.
- Skid Steer – 40% of annual financing payments.

Since this is near the percentage of tracked hours in a 12 month period, this is a fair way to assess for payment if approved. When I was a DDA Director in another community I served, this was how we purchased a skid steer that addressed needs in our Downtown District and the City as it was split between the General and DDA Fund. If the DDA approved this we would need an agreement between the City and DDA to allow this to occur as requested by the auditor. We would also need budget amendments once the financing is finalized.

I am recommending that the Downtown Development Authority approve financing a portion of the Front End Loader and Skid Steer in the manner prescribed.



LOWELL CITY ADMINISTRATION
INTER OFFICE MEMORANDUM

DATE: November 3, 2016
TO: Mike Burns, City Manager *MB*
FROM: Rich LaBombard, DPW Director
RE: DPW Equipment Purchase -
Wheel Loader and Skid-Steer

Beginning in August of this year, the Department of Public Works began to evaluate the department's equipment repair and replacement needs. The results of that evaluation identified two vital pieces of equipment were in need of immediate replacement due to their state of repair, age, service impact, availability of replacement parts, and ongoing maintenance costs.

The existing 1983 Clark wheel loader is 33 years old and in need of a large ticket repair. Clark equipment is no longer manufactured and parts are extremely difficult to locate or must be manufactured. This piece of equipment is vital to the DPW for managing bulk material piles such as sand, salt, road millings, etc.; winter maintenance activities such as moving or removing snow piles; loading salt boxes onto the dump trucks; loading dump trucks; moving large quantities of brush and mulch and is occasionally used in the cemetery and landfill; and also has been used during flood situations to move sandbags and equipment.

The existing skid steer is 21 years old and requires a repair that exceeds 50 percent of its current market value. This equipment is vital for its ability to maneuver into smaller spaces; moving small amounts of material; routine winter maintenance activities such as snow blowing; loading and unloading material onto trucks; and for sweeping parking lots with the broom attachment.

A variety of options were evaluated ranging from repairing the equipment, renting as needed, long term leasing, purchasing used equipment, buying new equipment, and we even evaluated not replacing the equipment at all.

Due to the nature of how this equipment impacts the organization, I recommend purchasing new equipment. The cost of financing is still economical and Mi-Deal pricing is very advantageous and will save thousands of dollars.

With that in mind, I recommend the purchase of a 2016 Caterpillar 926M for the sum of \$177,070.00 and the purchase of a 2016 Bobcat S550 for the sum of \$45,467.38.

10/26/2016

Equipment Rental Activity Report
7/1 2015 to 10/31/2016

Equipment ID	GL Number	Activity Code	Hours	Amount	%
31	WHEEL LOADER- 1983 CLARK				
Cemetery	101-276-940.000		5.00	274.00	4.94%
DPW	101-441-940.000		31.00	1,719.32	30.62%
DPW - MDOT	101-441-940.000	1210	2.00	109.60	1.98%
Parks	101-751-940.000		8.50	475.21	8.40%
Major Streets	202-478-940.000		4.00	219.20	3.95%
Local Streets	203-000-999.999		1.75	95.90	1.73%
Local Streets - Main	203-463-940.000		3.00	164.40	2.96%
Local Streets - Winter	203-478-940.000		17.00	935.02	16.79%
DDA	248-463-940.000		23.00	1,260.40	22.72%
Water Treatment	591-570-940.000		2.00	109.60	1.98%
Water Distribution	591-571-940.000		4.00	219.20	3.95%
Totals:			101.25	5,581.85	100.00%
37	SKID LOADER- 1995 NEW HOLLAND				
General Fund	101-000-999.999		5.00	168.46	3.94%
Cemetery	101-276-940.000		16.75	564.32	13.19%
Fire	101-336-940.000		1.00	33.69	0.79%
DPW	101-441-940.000		10.00	336.92	7.87%
Sidewalks	101-442-940.000		1.00	33.69	0.79%
Parks	101-751-940.000		11.00	370.61	8.66%
Library	101-790-940.000		0.50	16.85	0.39%
Museum	101-804-940.000		0.75	25.27	0.59%
Local Streets	203-000-999.999		1.75	58.96	1.38%
Local Streets - Maint	203-463-940.000		14.00	475.86	11.02%
Local Streets - Winter	203-478-940.000		3.00	101.07	2.36%
DDA	248-000-999.999		0.50	16.85	0.39%
DDA - Maint	248-463-940.000		40.50	1,366.83	31.89%
DDA - MDOT Maint	248-463-940.000	1410	9.50	320.06	7.48%
Wastewater	590-551-940.000		5.50	185.30	4.33%
Water Treatment	591-570-940.000		3.25	109.50	2.56%
Water Distribution	591-571-940.000		3.00	101.07	2.36%
Totals:			127.00	4,285.31	100.00%

Loader was last used on: June 13, 2016

Skid-steer was last used on: June 30, 2016

Existing - 1983 Clark Loader		Proposed - 926 M Caterpillar Loader		Typical uses:		Background:	
Typical service life is 7 - 15 years Average 120-200 hours usage per year Current Value (operational) \$8,000 - \$10,000 Current Value (inoperable) \$0 - \$1,000 Schedule C Rate - \$56.51 per hour	Wheel loader with high lift option, JRB coupler, forks, MP bucket, quick coupler, extended fender kit and extended 36 month warranty, add LED lights and LED reverse warning lights switchable to standard alarm	Salt and saltbox loading for winter maintenance, snow pile removal, loading and moving backfill material for watermain, sewer and drain repairs, loading and moving large tree sections and brush piles, moving and turning piles at cemetery, moving sand and sandbags for flood control.	We evaluated a variety of options and equipment. We looked at Caterpillar, Kawasaki, Komatsu and John Deere Loaders. In addition, we contacted AIS, Grand Equipment, and Michigan Caterpillar for rental and leasing options.				
Loader Options	Net Cost (excluding fuel and maintenance)	Annual Cost	Notes	Pros	Cons		
Repair Existing	\$2,904	\$2,904	Parts must be manufactured since parts are no longer made for this equipment and the manufacturer is no longer operational	Least budget impact	1983 Equipment longevity		
Buy New	\$195,661	\$39,132	\$177,070 financed for 5 years at 4% interest, plus finance charges, MI-Deal Pricing.	Costly Option	Custom order with extended lift, safety options and JRB coupler		
Buy Used	\$173,484	\$34,697	3 used models available at Michigan Cat priced \$150K to \$164K. Calculations based on \$157,000 financed for 5 years at 4% interest, plus finance charges. Additional costs will apply for added options such as forks, high lift, JRB coupler, etc.	Less costly	No knowledge of how equipment was used and treated, may not be properly equipped		
Lease	\$193,865	\$28,037	60 month lease with \$54,500 buy out at end of lease	Less immediate budget impact			
Rent	\$345,600	\$57,600	12 month rental period for winter maintenance @ \$4,800 per month	Periodic maintenance costs covered by agreement	Most costly		
Existing - 1995 New Holland Skid Steer		Proposed - Bobcat S550		Typical uses:		Background:	
Typical service life is 7 - 15 years Average 200 hours usage per year Current Value (operational) \$3,000 Current Value (inoperable) \$500 Schedule C Rate - \$34.74 per hour	61 HP Diesel, Cab enclosure with heated cab, sound reduction, heavy duty tires, bucket, snow blower, fork grapple, strobe lights, LED light bar	Various attachments used for snow removal, unloading material, sweeping streets and parking lots,					
Skidsteer Options	Net Cost (excluding fuel and maintenance)	Annual Cost	Notes	Pros	Cons		
Repair	\$5,000	\$5,000					
Buy New	\$50,241	\$10,048	\$45,467 financed for 5 years at 4% interest, plus finance charges, MI-Deal Pricing				
Buy Used	\$40,885	\$8,177	2014 Model S550 with 250 hours, with only a bucket attachment. Calculations based on \$37,000 financed for 5 years at 4% interest, plus finance charges. Additional costs will apply for added options such as snow blower, forks, enclosed cab, etc.				
Lease	\$48,942	\$16,314	36 month lease with \$1,00 buy out at end of lease				
Rent	\$133,200	\$26,640	12 month rental period for winter maintenance, attachments extra				



Product Quotation

Quotation Number: 23697D024058

Date: 2016-09-19 10:42:48

Ship to	Bobcat Dealer	Bill To
City of Lowell DPW Attn: Ralph 217 South Hudson Lowell, MI 49331 Phone: (616) 897-5929	Carleton Eq. Bobcat of Grand Rapids, Byron Center, M 343 100TH STREET SW BYRON CENTER MI 49315 Phone: (616) 877-3388 Fax: (616) 877-4737	City of Lowell DPW Attn: Ralph 217 South Hudson Lowell, MI 49331 Phone: (616) 897-5929
	----- Contact: Rick Scheidel Phone: 616-887-3388 Fax: 616-877-4737 Cellular: 616-292-0699 E Mail: rick.scheidel@carltonequipment.c om	

Description	Part No	Qty	Price Ea.	Total
S550 T4 Bobcat Skid-Steer Loader	M0253	1	\$25,848.20	\$25,848.20
61.0 HP Tier 4 Turbo Diesel Engine Auxiliary Hydraulics: Variable Flow Backup Alarm Bob-Tach Bobcat Interlock Control System (BICS) Controls: Bobcat Standard Cylinder Cushioning - Lift, Tilt Engine/Hydraulic Systems Shutdown Glow Plugs (Automatically Activated) Horn Instrumentation: Engine Temperature & Fuel Gauges, Hourmeter, RPM and Warning Lights	Lift Arm Support Lift Path: Radius Lights, Front & Rear Operator Cab Includes: Adjustable Cushion Seat, Top & Rear Windows, Parking Brake, Seat Bar & Seat Belt Roll Over Protective Structure (ROPS) meets SAE-J1040 & ISO 3471 Falling Object Protective Structure (FOPS) meets SAE- J1043 & ISO 3449, Level I; (Level II is available through Bobcat Parts) Spark Arrestor Exhaust System Tires: 10-16.5, 8 PR, Bobcat Standard Duty Warranty: 12 Months, Unlimited Hours			
A71 Option Package Cab enclosure with Heat and AC Deluxe Instrument Panel Keyless Start Power Bob-Tach Sound Reduction	M0253-P01-A71	1	\$4,020.10	\$4,020.10
Two Speed, Hydraulic Bucket Positioning, Cold Weather Package Advanced Control System (ACS) Air Ride Seat 3pt Belt 10-16.5, 10 PR, Heavy Duty Tires Radio 68" Low Profile Bucket 68" Snow & Light Material Bucket 66" Ind. Fork Grapple (w/7 Tines) SB200 Snowblower - 60" Width --- 6.2 Hyd Motor Package (16.5 - 21 gpm)	M0253-P03-F30 M0253-R01-C03 M0253-R05-C12 M0253-R09-C02 M0253-R26-C02 6731418 7184103 7168344 M7001 M7001-R01-C02	1 1 1 1 1 1 1 1 1 1	\$1,398.60 \$952.00 \$209.30 \$164.50 \$277.90 \$792.60 \$883.10 \$3,008.08 \$3,198.84 \$749.20	\$1,398.60 \$952.00 \$209.30 \$164.50 \$277.90 \$792.60 \$883.10 \$3,008.08 \$3,198.84 \$749.20
Description	Part No	Qty	Price Ea.	Total
68" BOLT ON CUTTING EDGES		2	\$215.72	\$431.44
RIDE CONTROL		1	\$1,319.81	\$1,319.81
STROBE LIGHT		1	\$325.03	\$325.03
PORT RELIEF VALVE		1	\$133.29	\$133.29
LED LIGHT BAR		1	\$817.99	\$817.99

LABOR FOR DEALER INSTALLED ITEMS	1	\$875.00	\$875.00
REAR VIEW MIRROR	1	\$62.40	\$62.40
Total of Items Quoted			\$45,467.38
Quote Total - US dollars			\$45,467.38

Notes:

THIS IS MI DEAL PRICING. CONTRACT NUMBER 071B0200331. P.O. MUST BE MADE OUT TO CLARK EQUIPMENT COMPANY dba. BOBCAT COMPANY P.O. BOX 6000 250 E. BEATON DR. WEST FARGO ND. 58078-6000

All prices subject to change without prior notice or obligation. This price quote supersedes all preceding price quotes. Customer must exercise his purchase option within 30 days from quote date.

Customer Acceptance: Purchase Order: _____

Authorized Signature:

Print: _____ **Sign:** _____ **Date:** _____

Finance Worksheet

QuoteFinance



SALES AGREEMENT

Quote No 124668
 DATE Oct 20, 2016

Michigan CAT Corporate Headquarters, 24800 Novi Road, PO Box 918, Novi, MI 48375-0918 Phone: (248)-349-4800, 1-888-MICH CAT Visit our website: www.michigancat.com

PURCHASER	CITY OF LOWELL						
STREET ADDRESS	301 E MAIN ST			<SAME>			
CITY/STATE	LOWELL, MI	COUNTY	KENT				
POSTAL CODE	49331	PHONE NO	616-481-9804				
EQUIPMENT	RALPH BRECKEN						
PRODUCT SUPPORT	RALPH BRECKEN						
INDUSTRY CODE:	HWY & STREET CONSTRUCTION (200)		PRINCIPAL WORK CODE	F.O.B. AT: Corporate			
CUSTOMER NUMBER	6354	Sales Tax Exemption # (if applicable)	N/A	CUSTOMER PO NUMBER TO FOLLOW			
PAYMENT TERMS:		NET PAYMENT ON RECEIPT OF INVOICE <input type="checkbox"/>	NET ON DELIVERY <input checked="" type="checkbox"/>	FINANCIAL SERVICES <input type="checkbox"/>	ISC <input type="checkbox"/>	LEASE <input type="checkbox"/>	CASH WITH ORDER: \$0.00
DESCRIPTION OF EQUIPMENT ORDERED / PURCHASED							
MAKE: TBA	MODEL: 926M	YEAR: 2017					
STOCK NUMBER: 25854	SERIAL NUMBER: TBA	SMU: 0					
926M WHEEL LOADER	60" pallet forks w/ 60" carriage						
STEERING, STANDARD	JRB Coupler						
DIFFERENTIAL, OPEN REAR	JRB 3.0 MP bucket w/ BOCE 300MP300						
CAB, DELUXE	Auto Lube						
SEAT, DELUXE	Reverse Warning Lights						
RADIO, BLUETOOTH, AUX, MIC	LED Lights						
PRODUCT LINK, CELLULAR PL641	KIT, WARNING, BEACON, LED STROBE						
FENDERS, Rooding							
CAMERA, REAR VIEW							
RIDE CONTROL							
HYD, 3V, COUPLER READY, HIGH LIFT							
ENVIRONMENT, MEDIUM DEBRIS							
WEATHER, COLD START 120V							
TIRES, 20.5R25 TI MXL * L3							
COUNTERWEIGHT, HEAVY							
TRADE-IN EQUIPMENT				SELL PRICE		\$177,070.00	
MODEL: _____	YEAR: _____	SN: _____	REPAIRS		\$0.00		
PAYOUT TO: _____	AMOUNT: _____	PAID BY: _____	EXT WARRANTY		Included		
MODEL: _____	YEAR: _____	SN: _____	LESS RENTS PAID		\$0.00		
PAYOUT TO: _____	AMOUNT: _____	PAID BY: _____	TOTAL NET PURCHASE PRICE		\$177,070.00		
ALL TRADE-INS ARE SUBJECT TO EQUIPMENT BEING IN "AS INSPECTED CONDITION" BY VENDOR AT TIME OF DELIVERY OF REPLACEMENT MACHINE PURCHASE ABOVE. TRADE ALLOWANCE SUBJECT TO PAYOFF BALANCE OWED							
PURCHASER HEREBY SELLS THE TRADE-IN EQUIPMENT DESCRIBED ABOVE TO THE VENDOR AND WARRANTS IT TO BE FREE AND CLEAR OF ALL CLAIMS, LIENS, MORTGAGES AND SECURITY INTEREST EXCEPT AS SHOWN ABOVE							
<input checked="" type="checkbox"/> CATERPILLAR EQUIPMENT WARRANTY			INITIAL		Payment Terms and Conditions:		
<p>The customer acknowledges that he has received a copy of the Michigan CAT/Caterpillar Warranty and has read and understood said warranty. Scheduled oil sampling (S.O.S.) is mandatory with this warranty. The customer is responsible for taking oil samples at designated intervals from all power train components and failure to do so may result in voiding the warranty.</p> <p>Warranty applicable including expiration date where necessary: Michigan CAT 12 Month, Unlimited Hour Standard Full Machine Warranty Service Agreement with 6 Months Mileage</p> <p>GMP -36 MOS 5,000 HOUR POWERTRAIN</p>					Rental unit to be provided at \$20 per hour until new unit is delivered approx the end of November		
CSA:							

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE

Michigan CAT PURCHASER

ORDER RECEIVED BY Erv Gambee APPROVED AND ACCEPTED ON _____

REPRESENTATIVE CITY OF LOWELL PURCHASER

BY _____ SIGNATURE TITLE

Purchase agreement
Loader

TERMS AND CONDITIONS

This order is subject to the following terms and conditions:

- 1) Seller reserves the right to accept or reject this order and shall not be required to give any reason for non-acceptance.
- 2) This order, when accepted by Seller, shall become a binding contract but shall be subject to strike, lockouts, accidents, fire, delays in manufacture or transportation, acts of God, embargoes, or governmental action or any other causes beyond the control of the Seller whether the same as or different from the matter and things hereinbefore specifically enumerated, and any said causes shall absolutely absolve the Seller from any liability to the Buyer under the terms hereof.
- 3) Unless the equipment is paid for in full in cash at the time of delivery, Seller retains a SECURITY INTEREST in such equipment within the meaning of the UNIFORM COMMERCIAL CODE together with all and any substitutions, additions, or accessions, and in any and all proceeds from the sale, exchange or disposal thereof. Buyer, prior to or after delivery, specifically agrees to enter into and execute a FINANCING STATEMENT or statements, and a SECURITY AGREEMENT, setting forth the terms and conditions of the agreement between the parties in relation to the security interest of the Seller. In the event the Buyer fails to enter into such SECURITY AGREEMENT with the Seller, the entire balance of the purchase price shall at the Seller's option become due and payable, and the Seller shall have all remedies available to him provided for and set out in the UNIFORM COMMERCIAL CODE, and at the Seller's option this order may be treated by the Seller as a SECURITY AGREEMENT insofar as the law allows. Buyer further agrees to execute and deliver to Seller any Promissory Note, or other evidence of indebtedness that may be required by the Seller. However, any Note taken herewith shall evidence indebtedness only and is not to be considered or construed to be payment for said equipment.
- 4) Buyer hereby certifies he has and will maintain FULL PROPERTY INSURANCE covering the equipment being purchased, GENERAL LIABILITY INSURANCE of at least \$500,000 and workman's compensation coverage to the limits of the state where the equipment will be operated until the owed balance is paid in full.
- 5) The Seller's responsibility for shipment ceases upon delivery to transportation company, and any claims for shortages, delays or damages occurring thereafter shall be made by the Buyer directly to the transportation company. Any claims against the Seller for shortages in shipments shall be made within fifteen days after receipt of shipment.
- 6) The Buyer agrees that this order shall not be countermanded by him. Upon acceptance by Seller (and the execution and delivery of the contract or contracts, and Note or Notes required to consummate the sale as above specified), this writing will constitute a final expression of the parties' agreement and a complete and exclusive statement of the terms of their agreement. No course of prior dealings between the parties and no usage of trade shall be relevant to supplement any of the terms of the Agreement. The Seller is not bound by any representations or terms made by any agent relative to this transaction which are not embodied herein. No oral agreement, guaranty, promise, condition, representation or warranty shall be binding. All prior conversations, agreements, or representations related hereto and/or said equipment are integrated herein. No modification hereof shall be binding unless in writing and signed by the Seller.
- 7) **The seller shall not be held liable or responsible for any damages, whether on account of personal injuries or otherwise suffered or sustained in the operation of said equipment, nor for any damages resulting to the Buyer by reason of any delays or any alleged failure of any equipment to operate. Buyer understands that Seller is neither the manufacturer of the equipment nor the agent of the said manufacturer, and Seller makes no express warranties other than those appearing herein as Seller's warranties. In addition, there are not implied warranties of merchantability or fitness for a particular purpose in connection with the sale of the equipment hereunder.**
- 8) In the event this machine is equipped with Product Link, I understand data concerning this machine, its condition, and its operation is being transmitted by Product Link to Caterpillar and/or its dealers to better serve me and to improve upon Caterpillar products and services. The information transmitted may include: machine serial number, machine location, and operational data, including but not limited to: fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments. Caterpillar will not sell or rent collected information to any other third party and will exercise reasonable efforts to keep the information secure. Caterpillar Inc. recognizes and respects customer privacy. I agree to allow this data to be accessed by Caterpillar and/or its dealers.
- 9) Michigan CAT makes no warranty or guarantee that this equipment or attachments meet any state or federal standards or regulations under authority of the Occupational Safety and Health Act of 1970, or the Construction Safety Act.
- 10) Under the terms of this order Seller is obligated to make warranty repairs during working hours, Seller regular working hours at regular time labor rates. If, at the request of the Buyer, such warranty repairs are performed during overtime hours, Seller will charge Buyer the difference between amount computed at Seller's regular time rates and overtime labor rates and shall be paid this amount by Buyer as a condition of this order.
- 11) Buyer agrees to indemnify and hold harmless Seller, its agents, employees, successors and assigns from and against any and all losses, damages, claims and expenses, including legal fees incurred by Seller as a result of the use, condition (including patent or latent defects whether or not discoverable) or operation of the equipment, regardless of where, how, or by whom it may be operated.
- 12) Late Charge Policy: Late charges will be assessed at the rate of 1.5% per month (18% per annum) on all invoices past due 30 days.
- 13) In connection with any litigation including appellate proceedings arising out of this Contract, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.
- 14) This agreement shall be binding upon and shall insure to the benefit of the successors and permitted assigns of the parties hereto.

BILL OF SALE FOR PROPERTY TAKEN IN TRADE

For value received, buyer hereby bargains and sells, grants and delivers unto Michigan CAT, Grantee, all of buyer's rights, title and interest in the used equipment described below offered in trade on equipment purchased by the undersigned Buyer. The undersigned Buyer covenants with said Grantee that the undersigned Buyer is the lawful owner of said used equipment, that it is free from all liens and encumbrances. Buyer will warrant and defend same against the lawful claims and demands of all persons. **Trade Allowance Subject to Payoff Balance Owed.**

Model	Make	S/N	Year	Trade Allowance	SMU	Payout To	Amount Owning	To Be Paid By	Notes
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by _____

(Title)