

AGENDA REPORT

To: Mayor Pat Humphrey and the Clare City Commission
From: Steven J. Kingsbury, MBA, CPFA, MiCPT
Acting City Manager
Treasurer, Finance and Technology Director
Date: October 2, 2015
Regarding: Installment Purchase Agreement - 2015 E-One 78' Aerial Firefighting Vehicle

For the Agenda of October 5, 2015

Background. Over the nearly two previous years the City of Clare's Fire Department has been diligently working on the replacement of its 25 year old aerial firefighting unit with a new piece of equipment that can simultaneously meet the needs of the department and also be a fiscally prudent and affordable purchase. After an extensive and exhaustive evaluation period by the appointed equipment selection committee a 2015 E-One 78' Aerial Quint (combination fire engine and ladder) firefighting vehicle was selected for purchase.

Following a very detailed and thorough presentation Fire Chief Jim Chapman and Assistant Fire Chief Sam Eberhart of the evaluation process, the needs of the Clare Fire Department and its service area, including the vehicles considered during the two-year evaluation process the Clare City Commission approved the purchase of the new vehicle by adoption of Resolution 2015-091 (copy attached)

At the direction of the City Commission and subsequent to the selection of the new firefighting vehicle the City's Treasurer and Finance Director requested financing proposals from all area financial institutions. Two proposals were received, one from Chemical Bank at an interest rate of 3.09% and another from Isabella Bank at an interest rate of 3.49%. All other terms of the financing were identical and in conformity with those requested by the City. Concurrent with the requests for financing proposals the City's Treasurer and Finance Director also worked with the City's bond counsel to prepare the Installment Purchase Agreement authorized under Public Act 99, of the Michigan Public Acts of 1933 to complete this purchase. The request for financing proposals and the installment purchase agreement both include a provision to allow for early repayment of the principal amount of the loan without penalty.

With the approval and as part of the purchase of the new equipment we are now actively working to sell the 1990 Gruman 102' Aerial ladder/platform unit and also our 2001 E-One Super Seneca Fire Engine. Due to the anticipated timeframe necessary to sell these two pieces of equipment we have requested financing of up to \$525,000 of the \$668,373.24 vehicle purchase price with the \$143,373.24 balance of the purchase price plus the \$9,500 legal costs required to prepare the Installment Purchase Agreement being funded from the Fire Department's fund balance. Following the sale of the two older pieces of equipment the proceeds will be used to pay down the balance of the Installment Purchase Agreement loan with the financial institution.

Issues & Questions Specified. Should the City Commission accept the financing proposal from Chemical Bank and approve the Installment Purchase Agreement?

Alternatives.

1. Accept the financing proposal and approve the installment purchase agreement.
2. Accept the alternate financing proposal and approve the installment purchase agreement.
3. Do not approve the financial proposals or the agreement.
4. Defer/delay the decision of this matter to a subsequently scheduled City Commission mtg.

Financial Impact. Acceptance of the financing proposal and approval of the Installment Purchase Agreement will allow the City of Clare to complete the purchase of the new firefighting vehicle and also commit the City of Clare to the repayment of up to \$525,000. This purchase was included within the City's FY2015/16 approved budget.

Recommendation. I recommend that the City Commission accept the financing proposal from Chemical Bank and approve the installment purchase agreement as presented by adoption of attached Resolution 2015-107.

Attachments.

- 1 - Resolution 2015-091.
- 2 - Resolution 2015-107.
- 3 - Installment Purchase Agreement.
- 4 - West Shore Fire Vehicle Sale Offer and Acceptance.

RESOLUTION 2015-091

A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING THE PURCHASE OF A NEW FIRE APPARATUS.

WHEREAS, City of Clare's approved FY 2015/2016 Budget and Capital Purchase Schedule includes the acquisition of a new fire apparatus to replace the City's ladder truck and one engine; and

WHEREAS, a selection committee from the Clare Fire Department was appointed by the Fire Chief to review specifications and performance needs and capabilities of the many types of apparatus offered by the various manufactures of fire equipment and subsequently make a recommendation(s) in respect to the type and the manufacturer of the apparatus that should be purchased to best meet the needs and requirements of the Clare Fire Department and concurrently ensures the public safety of the Greater Clare Area Community it serves and protects; and

WHEREAS, said selection committee has concluded an extensive and exhaustive selection process and has made its recommendation(s) to the Clare Fire Chief and the Clare City Commission; and

WHEREAS, the Clare City Commission has reviewed and considered the recommendation(s) of said selection committee and determined approval of said recommendation(s) is/are in the best public interests of the City of Clare and its residents and the residents of the surrounding townships and municipalities that are served by the Clare Fire Department.

NOW THEREFORE BE IT RESOLVED THAT the Clare City Commission hereby approves the purchase of a new fire apparatus from West Shore, a Michigan vendor for E-1 fire apparatus, for a purchase price not exceed \$680,000.

BE IT FURTHER RESOLVED THAT the City Commission hereby directs the City's Treasurer & Finance Director to commence the process to fund the purchase of said apparatus and provide his fiscal recommendation(s) to facilitate said purchase.

This Resolution was introduced by Commissioner Swanson and supported by Commissioner Murphy. The Resolution declared adopted by the following roll call vote:

YEAS: Bob Bonham, Jean McConnell, Gus (Carolyn) Murphy and Karla Swanson.

NAYS: None.

ABSENT: Pat Humphrey.

Resolution approved for adoption on this 8th day of September, 2015.

Diane Lyon, City Clerk

RESOLUTION 2015-107

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN
INSTALLMENT PURCHASE AGREEMENT

City of Clare
Counties of Clare and Isabella, State of Michigan

Minutes of a regular meeting of the City Commission of the City of Clare, Counties of Clare and Isabella, State of Michigan, held on the 5th day of October, 2015, at 6:00 p.m., prevailing Eastern Time.

PRESENT: Commissioners _____

ABSENT: Commissioners _____

The following preamble and resolution were offered by Commissioner _____ and supported by Commissioner _____.

WHEREAS, the City of Clare, Counties of Clare and Isabella, State of Michigan (the "City"), has authorized the purchase from West Shore Fire, Inc., Allendale, Michigan (the "Vendor"), of a 2015 E-One HP 78' Aerial (the "Equipment"); and

WHEREAS, under the provisions of Act 99, Public Acts of Michigan, 1933, as amended ("Act 99"), the City is authorized to enter into a contract or agreement for the purchase of the Equipment to be paid for in installments over a period not to exceed the useful life of the Equipment; and

WHEREAS, the outstanding balance of all purchases by the City under Act 99, exclusive of interest, may not exceed one and one quarter percent (1-1/4%) of the taxable value of the real and personal property in the City; and

WHEREAS, purchase of the Equipment pursuant to an installment purchase agreement will not cause the outstanding balance of all such purchases to exceed the limitation contained in Act 99 as set forth above; and

WHEREAS, an Installment Purchase Agreement (the "Agreement"), among the City, the Vendor and Chemical Bank (the "Bank"), for the purchase and financing of the Equipment has been prepared; and

WHEREAS, the total purchase price of the Equipment is \$668,373.24 (the "Purchase Price"); and

WHEREAS, the City has determined that it is necessary to finance a portion of the Purchase Price in the amount of not to exceed \$525,000 (the “Financed Purchase Price”) through execution of the Agreement, with the balance of the Purchase Price being paid from other available funds of the City; and

WHEREAS, the Agreement is to be assigned by the Vendor to the Bank; and

WHEREAS, it is necessary to approve the Agreement and to authorize the Mayor and the City Clerk to execute and deliver the Agreement and to authorize certain other matters relating thereto.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Agreement is hereby approved substantially in the form attached hereto as Exhibit A. The City shall incur the debt described in the Agreement through execution of the Agreement by the Mayor and the City Clerk, which debt shall consist of the Financed Purchase Price in the amount of not to exceed \$525,000, or such lesser amount as shall be determined by the Mayor, the City Clerk or the Treasurer prior to execution of the Agreement. The Financed Purchase Price shall be payable in fifteen (15) annual installment payments of principal on September 30 of each year, commencing September 30, 2016, with interest on the unpaid balance of the Financed Purchase Price payable annually on September 30 of each year, commencing September 30, 2016, at the rate of 3.09% per annum. The annual installments of principal shall be payable in the amounts as determined by the Mayor, the City Clerk or the Treasurer prior to execution of the Agreement.

2. The Mayor and the City Clerk are hereby authorized and directed to execute the Agreement and deliver it to the Vendor, substantially in the form attached hereto as Exhibit A, with such additions, changes and modifications as shall be approved by the Mayor and the City Clerk and which are not inconsistent with the provisions of this resolution.

3. The useful life of the Equipment is hereby determined to be not less than fifteen (15) years.

4. The Mayor, the City Clerk, the City Manager and the Treasurer are each hereby individually authorized and directed to execute such additional certificates, agreements and documents and open such accounts as shall be necessary to effectuate the closing of the Agreement and the assignment thereof.

5. The assignment of the Agreement by the Vendor to the Bank is hereby approved.

6. The City hereby agrees to include in its budget for each fiscal year a sum that will be sufficient to pay the principal of and interest on the Agreement coming due before the next fiscal year. In addition, the City hereby pledges to levy ad valorem taxes on all taxable property in the City each year in an amount necessary to make its debt service payments under the Agreement, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The City hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest on the obligations under the Agreement from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of proceeds of the Agreement and moneys deemed to be proceeds of the Agreement.

8. The City hereby designates its obligations under the Agreement as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Code.

9. Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield") is hereby approved as bond counsel to the City in connection with the execution and delivery of the Agreement, notwithstanding Miller Canfield's periodic representation of the Bank in certain matters unrelated to the Agreement.

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

AYES: Commissioners: _____

NAYS: Commissioners: _____

RESOLUTION DECLARED ADOPTED.

Diane Lyon
City Clerk

CERTIFICATE

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Clare, Counties of Clare and Isabella, State of Michigan, at a regular meeting held on October 5, 2015, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Diane Lyon
City Clerk

EXHIBIT A TO RESOLUTION
FORM OF INSTALLMENT PURCHASE AGREEMENT

INSTALLMENT PURCHASE AGREEMENT

THIS AGREEMENT, dated as of October __, 2015 (this "Agreement"), by and among the City of Clare, Counties of Clare and Isabella, State of Michigan (the "City"), West Shore Fire, Inc., 6620 Lake Michigan Dr., P.O. Box 188, Allendale, Michigan 49401 (the "Vendor"), and Chemical Bank, 333 E. Main Street, Midland, Michigan 48640 (the "Bank"), is as follows:

1. Purchase Price, Title and Useful Life. The City agrees to purchase and the Vendor agrees to sell, one (1) 2015 E-One HP 78' Aerial (the "Equipment"), as set forth in the specifications attached hereto as Exhibit A (the "Specifications"), for the total sum of \$668,373.24 (the "Purchase Price"). The City will pay a portion of the Purchase Price in the amount of \$_____ from available funds of the City upon delivery to and acceptance by the City of the Equipment, and shall pay the balance of the Purchase Price in the amount of \$_____ (the "Financed Purchase Price") in fifteen (15) annual principal installments on September 30 of each year, commencing September 30, 2016, in the amounts set forth on Exhibit B attached hereto. The final principal installment of the Financed Purchase Price shall be due on September 30, 2030 in an amount equal to the unpaid principal balance of the Financed Purchase Price.

The City shall pay interest on the unpaid balance of the Financed Purchase Price to the Bank as the assignee of the Vendor in accordance with Section 3 hereof, at a rate of interest equal to 3.09% per annum from the date funds are disbursed by the Bank as set forth in Section 3 hereof, computed on the basis of a 360 day year of twelve 30-day months, which interest shall be payable annually on September 30 of each year, commencing September 30, 2016, as set forth on Exhibit B attached hereto.

Upon delivery to and acceptance by the City of the Equipment, title to the Equipment shall vest in the City. The City represents and agrees that the useful life of the Equipment is not less than fifteen (15) years.

2. Incorporation by Reference. The Vendor agrees to all of the instructions, terms and conditions as may be outlined in the Specifications and any supplements and exhibits thereto, which are hereby incorporated by reference in full herein. In the event of a conflict in terms between this Agreement and the Specifications, the specific terms of this Agreement shall govern.

3. Assignment to Bank. The Vendor hereby irrevocably assigns this Agreement immediately to the Bank in consideration for and effective upon a payment from the Bank to the Vendor of an amount equal to the Financed Purchase Price. The City hereby consents to the assignment of this Agreement by the Vendor to the Bank, except with respect to the obligations and warranties of the Vendor set forth in or incorporated by reference in Section 2 and Section 5 of this Agreement, all of which the parties hereto agree shall remain the sole responsibility of the Vendor and shall not be assignable. With respect to the Bank only, the City hereby waives any defenses based upon warranty, failure or inability of the Vendor to perform its non-assignable

obligations. To the extent that funds are disbursed by the Bank in accordance with this Section 3, the City's obligation to the Bank is absolute and unconditional and shall remain in full force and effect until the amount of the payment to the Vendor by the Bank as specified in this Section 3, together with interest thereon as provided in this Agreement, shall have been paid by the City to the Bank, 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 Vendor's or the City's interest in the Equipment specified herein or the invalidity or enforceability of this Agreement;

(b) 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 Vendor or any of its assets or any allocation or contest of the validity of this Agreement, or the disaffirmance of this Agreement in any such proceeding;

(c) 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 Vendor from the performance or observation of any obligation, covenant or agreement contained in this Agreement; or

(d) The default or failure of the Vendor fully to perform any of its obligations set forth in this Agreement.

It is expressly agreed between the Vendor and the City, and the Bank by acceptance of the assignment of this Agreement agrees, that the City shall make all payments of principal and interest hereunder directly to the Bank.

The Vendor represents and warrants to the City and the Bank that the assignment to the Bank of this Agreement does not violate any agreement, contract or loan agreement to which it is a party, and that this Agreement has been duly executed and delivered by the Vendor.

4. Right of Prepayment. The City may prepay the unpaid balance of the Financed Purchase Price in whole or in part at any time without penalty or premium upon not less than thirty (30) days prior written notice to the Bank, as assignee of this Agreement.

5. Warranty. The Vendor warrants the Equipment and its assembly of the Equipment to the extent set forth in the Specifications or as otherwise provided in writing by the Vendor. Any warranties of Vendor, and all manufacturer or supplier warranties with respect to the Equipment, shall not be assigned, but shall remain enforceable by the City.

6. Entire Agreement. This Agreement and the documents expressly incorporated by reference herein constitute the entire agreement of the parties with respect to the financing of the Equipment. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, with respect thereto are hereby terminated.

7. Amendments. Any attempt to modify the terms of this Agreement shall be ineffectual unless in writing and signed by all parties hereto; provided, however, that following assignment of this Agreement by the Vendor to the Bank, the Vendor shall not be required to consent nor shall it have any right to consent to any modification of the financial terms of this Agreement between the City and the Bank.

8. Security and Tax Covenant. The obligation of the City to pay principal and interest under this Agreement is a limited tax general obligation of the City. The City shall include in its budget and pay each year, until this Agreement is paid in full, such sums as may be necessary each year to make all payments hereunder when due. The ability of the City to levy ad valorem taxes on the taxable property of the City for the payment of the obligations of the City under this Agreement, if necessary, is subject to constitutional, statutory and charter tax rate limitations. The City covenants that it shall comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to delivery of this Agreement in order that interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. The City has designated its obligations under this Agreement as "qualified tax-exempt obligations" for purpose of deduction of interest expense by financial institutions pursuant to the Code.

9. Governing Law; Authorization. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Michigan. This Agreement is entered into pursuant to the authority of Act 99, Public Acts of Michigan, 1933, as amended.

10. Iran Economic Sanctions Act. The Bank hereby certifies that it is not an "Iran linked business" within the meaning of the Iran Economic Sanctions Act, Act 517 of the Public Acts of Michigan of 2012 (MCL 129.311 et. seq.).

[remainder of page intentionally blank]

11. Counterparts. This Agreement may be signed in any number of counterparts, which counterparts shall be considered as one and the same instrument. Facsimile copies of this Agreement shall have the full force and effect of an original document.

CITY OF CLARE

By _____
Its: Mayor

By _____
Its: City Clerk

WEST SHORE FIRE, INC.

By _____
Its: _____

CHEMICAL BANK
as assignee

By _____
Its: _____

EXHIBIT A TO INSTALLMENT PURCHASE AGREEMENT

[SPECIFICATIONS TO BE ATTACHED TO FINAL AGREEMENT]

EXHIBIT B TO INSTALLMENT PURCHASE AGREEMENT

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS

[PAYMENT SCHEDULE TO BE ATTACHED TO FINAL AGREEMENT]

25258399.1\016665-00024

Proforma Loan Amortization Schedule - Fire Department Quint

Enter values	
Loan amount	\$ 525,000.00
Annual interest rate	3.09 %
Loan period in years	15
Number of payments per year	1
Start date of loan	8/1/2015
Optional extra payments	

Loan summary	
Scheduled payment	\$ 44,264.23
Scheduled number of payments	15
Actual number of payments	16
Total early payments	\$ -
Total interest	\$ 140,224.22

Lender name:

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	8/1/2016	\$ 525,000.00	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 28,397.29	\$ 15,866.94	\$ 496,602.71	\$ 15,866.94
2	8/1/2017	\$ 496,602.71	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 28,919.21	\$ 15,345.02	\$ 467,683.50	\$ 31,211.96
3	8/1/2018	\$ 467,683.50	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 29,812.81	\$ 14,451.42	\$ 437,870.69	\$ 45,663.38
4	8/1/2019	\$ 437,870.69	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 30,734.03	\$ 13,530.20	\$ 407,136.66	\$ 59,193.59
5	8/1/2020	\$ 407,136.66	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 31,683.71	\$ 12,580.52	\$ 375,452.95	\$ 71,774.11
6	8/1/2021	\$ 375,452.95	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 32,662.74	\$ 11,601.50	\$ 342,790.21	\$ 83,375.61
7	8/1/2022	\$ 342,790.21	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 33,672.02	\$ 10,592.22	\$ 309,118.19	\$ 93,967.82
8	8/1/2023	\$ 309,118.19	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 34,712.48	\$ 9,551.75	\$ 274,405.71	\$ 103,519.58
9	8/1/2024	\$ 274,405.71	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 35,785.10	\$ 8,479.14	\$ 238,620.62	\$ 111,998.71
10	8/1/2025	\$ 238,620.62	\$ 44,264.23	\$ -	\$ 35,169.15	\$ 27,795.77	\$ 7,373.38	\$ 210,824.84	\$ 119,372.09
11	8/1/2026	\$ 210,824.84	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 37,749.75	\$ 6,514.49	\$ 173,075.10	\$ 125,886.58
12	8/1/2027	\$ 173,075.10	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 38,916.21	\$ 5,348.02	\$ 134,158.89	\$ 131,234.60
13	8/1/2028	\$ 134,158.89	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 40,118.72	\$ 4,145.51	\$ 94,040.16	\$ 135,380.11
14	8/1/2029	\$ 94,040.16	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 41,358.39	\$ 2,905.84	\$ 52,681.77	\$ 138,285.95
15	8/1/2030	\$ 52,681.77	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 42,636.37	\$ 1,627.87	\$ 10,045.41	\$ 139,913.82
16	8/1/2031	\$ 10,045.41	\$ 44,264.23	\$ -	\$ 44,264.23	\$ 43,953.83	\$ 310.40	\$ -	\$ 140,224.22

WEST SHORE FIRE



6620 Lake Michigan Drive
P.O. Box 188
Allendale, MI 49401
(616)895-4347

WHERE SALES & SERVICE COME TOGETHER

September 18, 2015

City of Clare
Steven J. Kingsbury, MBA, CPFA, MiCP
Treasurer, Finance & Technology Director
202 W. Fifth Street
Clare, MI 48617

RE: E-One Demo HP 78' Aerial purchase - SO#139278

Dear Steve,

I enjoyed the opportunity to meet with you last Friday to discuss the documentation for the purchase of the new 2015 E-One HP 78' aerial for the Clare Fire Department.

Based on our discussion, this correspondence will confirm that West Shore Fire, Inc. located at 6620 Lake Michigan Dr., P.O. Box 188, Allendale, Michigan, 49401, will provide a 2015 E-One HP 78' aerial ladder SO #139278 to the City of Clare.

The total cost for this apparatus is \$668,373.24.

Unless otherwise specified, this Purchase Price is exclusive of all Federal, State or local taxes of any nature. Any such taxes are the sole responsibility of the Buyer unless specifically added to the Purchase Price, at which time they will be paid by the Company; provided, however, if the Buyer claims the Order is exempt from any tax, Buyer agrees to furnish the applicable exemption certificate to the Company and to hold the Company harmless from any damage which may result from the Company ultimately have any such tax assessed against it.

Included in the cost are the following items:

ADDITIONAL EQUIPMENT

- Two (2) pump compartment heaters mounted in the pump area.

- Heat pan to be installed in the lower area of the pump compartment including two (2) removable side to side bottom pieces.
- Swivel connector 4" FNST x 5" Storz 30 deg elbow with tethered cap (right side discharge).
- Swivel connector with 4" FNST x 5" Storz 30 deg elbow with tethered cap (rear waterway inlet/discharge).
- Wheel chocks 44" NFPA compliant, two (2) pair (PR) of Zico SAC-44. Up to 44" diameter.

WARRANTIES

E-One warrants each new Apparatus manufactured against defects in material and workmanship for a period of one year from the in-service date per the Warranty Registration Card. Warranties beyond one year may be applicable to certain components of the Apparatus as described in the Statements of Warranty. This warranty is in favor of the original user/purchaser.

Please see attached standard E-One warranty documents which relate to the HP 78' Aerial Apparatus we are providing to the City of Clare:

- Statement of Warranty – 1 Year Standard
- State of Warranty – Ten Year Limited Paint and Perforation
- Aerial Device – Twenty Year Structural Integrity Limited Warranty
- Galvanized Frame – 20 Year Limited Corrosion Warranty on Galvanized Components/Lifetime Structural Warranty
- Statement of Warranty – For Aerials, Tandem Axles Tanker, Tandem Axle Rescue Products with Aluminum Body and Pan Doors Paint/Corrosion Limited Warranty

With respect to any Apparatus not manufactured by the Company, such items shall not be warranted by the Company but shall be subject to the warranty provided by the manufacturer.

Even though this is a demo unit, warranties will not take effect until delivery of the unit to the City of Clare.

DELIVERY

Delivery shall be completed as soon as possible after the additional modifications are made at the E-One facility in Ocala, Florida.

City of Clare
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September 18, 2015

TRAINING

The purchase of this apparatus includes training which is provided by an E-One Delivery Engineer. Training will be scheduled at a convenient time with Fire Chief, Jim Chapman.

NOTICES

The parties to this agreement designate Jim Chapman, Fire Chief, as a representative of the Buyer and Jeff DuPilka, President, West Shore Fire, as a representative of the Seller for the purposes of communication for this agreement.

PAYMENT

It is understood that payment will be due upon delivery of the Apparatus to the City of Clare. At least ten (10) days' notice will be provided to the City of Clare prior to final delivery to allow for payment arrangements to be completed. Payment shall be made to West Shore Fire Inc., at 6620 Lake Michigan Drive, P.O. Box 188, Allendale, Michigan, 49401.

Kindly acknowledge your acceptance of the terms and conditions identified herein by signing and returning one copy of this agreement.

Thanks again for your confidence in purchasing this E-One HP 78' Aerial for the City of Clare Fire Department. We look forward to a long and fruitful relationship.

If you have questions or need any additional information please feel free to contact me personally at any time. I can best be reached on my cell phone at (616) 291-0769.

Sincerely,



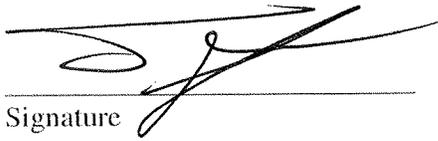
Jeffrey J. DuPilka
President
West Shore Fire, Inc.

JJD/cs

City of Clare
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September 18, 2015

ACKNOWLEDGEMENT

Accepted by the City of Clare: The 18th day of September, 2015.



Signature

Steven J. Kingsbury
Printed Name

City Treasurer
Title