

RESOLUTION NO. R22-69

A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE ALL LOAN DOCUMENTS BY AND BETWEEN MONTANA BOARD OF INVESTMENTS INTERCAP AND THE CITY OF LAUREL FOR THE PURCHASE OF A GARBAGE TRUCK

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Approval. On May 14, 2021, Montana Board of Investments Intercap issued a Term Sheet to the City of Laurel, agreeing to a Three Hundred Thousand Dollars and No Cents (\$300,000) loan to the City of Laurel to finance costs associated with the purchase of a garbage truck. On July 27, 2021, pursuant to Resolution No. 21-56, the City of Laurel approved the purchase of a garbage truck from Kios Brothers, pursuant to a loan agreement by and between Montana Board of Investments Intercap and the City of Laurel.

Section 2: Execution. The Mayor is hereby given authority to execute all loan and related documents by and between Montana Board of Investments Intercap and the City of Laurel, for the purchase of the garbage truck.

Introduced at a regular meeting of the City Council on the 8th day of November 2022, by Council Member Sparks.

PASSED and APPROVED by the City Council of the City of Laurel the 8th day of November 2022.

APPROVED by the Mayor the 8th day of November 2022.

CITY OF LAUREL



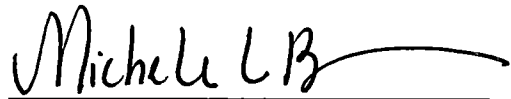
Dave Waggoner, Mayor

ATTEST:



Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

Handwritten signature of Michele L. Braukmann in cursive script, with a horizontal line extending from the end of the signature.

Michele L. Braukmann, Civil City Attorney

VOIS EQUIPMENT COMPANY INC.

DENVER
 5200 Colorado Blvd.
 Commerce City, CO 80022
 Phone: 303-298-7370
 Fax: 303-298-8527

BILLINGS
 2107 Harnish Blvd.
 Billings, MT 59101
 Phone: 406-652-3975
 Fax: 406-652-3744

GREAT FALLS
 1610 River Drive North
 Great Falls, MT 59401
 Phone: 406-452-2757
 Fax: 406-452-2799

DATE 07/29/21 PAGE 3
 QUOTE NO. 21-17101
 *** QUOTE ***

SOLD TO:
 CITY OF LAUREL
 2021 NEW REFUSE TRUCK 7-15-21
 P.O. BOX 10
 LAUREL MT 59044

SHIP TO:
 CITY OF LAUREL
 2021 NEW REFUSE TRUCK 7-15-21
 P.O. BOX 10
 LAUREL MT 59044

CUSTOMER PO	CUSTOMER NUM	SHIP VIA	SALESMAN	TERMS	CUSTOMER PHONE
VERBAL COUNC	12310	FOB LAUREL	17	NET 10	406-628-7431

PART NUMBER	DESCRIPTION	QTY	ORD	UOM	PRICE	EXTENDED
=====	=====	=====	=====	=====	=====	=====

All returned goods must be accompanied by invoice and are subject to handling charge after 30 days.

NO RETURNS AFTER 90 DAYS

A SERVICE CHARGE OF 2% PER MONTH, 24% PER ANNUM WILL BE ADDED TO ANY INVOICE NOT PAID. BY THE LAST DAY OF THE MONTH IN WHICH IT IS DUE. WE ARE CONFORMING WITH THE FAIR LABOR STANDARDS ACT OF 1938 AS AMENDED. NOT RESPONSIBLE FOR TIMELOST DUE TO FIRES, STRIKES OR CAUSES BEYOND OUR CONTROL. STENOGRAPHICAL AND CLERICAL ERRORS SUBJECT TO CORRECTION
 THANK YOU FOR ALLOWING US TO QUOTE THESE ITEMS. YOUR COST IS

Sub Total	373,726.50
Sales Tax	0.00
F.E.T.	0.00
Freight	5,312.50
TOTAL	379,039.00

Kelly Strecker



Subject:

Welsh, Louise <Lwelsh@mt.gov>
Thursday, May 5, 2022 12:48 PM
Kelly Strecker
Saarela, Peggy
RE: Garbage Truck Loan

This email will do to request an extension. Just bumped loan #2932 out to expire January 13, 2023 to give a little room around that November ETA. Thanks and best regards, LW

From: Kelly Strecker <kstrecker@laurel.mt.gov>
Sent: Thursday, May 5, 2022 12:41 PM
To: Welsh, Louise <Lwelsh@mt.gov>
Subject: [EXTERNAL] RE: Garbage Truck Loan

Good Afternoon,

We are going to have extend the commitment. It is my understanding that that the garbage truck is not going to be here until sometime in November. What do we need to do to extent the loan?

Thank you

Kelly Strecker
City of Laurel, Montana
(406) 628-7431 extension 5100

From: Welsh, Louise <Lwelsh@mt.gov>
Sent: Wednesday, April 27, 2022 10:47 AM
To: Kelly Strecker <kstrecker@laurel.mt.gov>
Cc: Saarela, Peggy <Peggy.Saarela@mt.gov>
Subject: RE: Garbage Truck Loan

Good morning Ms. Strecker. We have a \$300,000 commitment for a garbage truck loan expiring May 13, 2022. Attached is the term sheet explaining the loan conditions. One change to the attached is that we are no longer requiring collateral liens be put on the vehicle title. Peggy Saarela, Credit Analyst, is copied on

Kelly Strecker



Subject:
Attachments:

Welsh, Louise <Lwelsh@mt.gov>
Wednesday, April 27, 2022 10:47 AM
Kelly Strecker
Saarela, Peggy
RE: Garbage Truck Loan
Laurel 2932 Term.pdf

Good morning Ms. Strecker. We have a \$300,000 commitment for a garbage truck loan expiring May 13, 2022. Attached is the term sheet explaining the loan conditions. One change to the attached is that we are no longer requiring collateral liens be put on the vehicle title. Peggy Saarela, Credit Analyst, is copied on this email and will help you through the closing process. Please let us know if the City is ready for funds or need to extend the commitment. Thanks and have a nice rest of the day, LW

LOUISE WELSH

SENIOR BOND PROGRAM OFFICER

MONTANA

BOARD OF INVESTMENTS

406.444.0891

INVESTMENTMT.COM [investmentmt.com]

From: Kelly Strecker <kstrecker@laurel.mt.gov>

Sent: Wednesday, April 27, 2022 8:12 AM

To: Welsh, Louise <Lwelsh@mt.gov>

Subject: [EXTERNAL] Garbage Truck Loan

Good Morning,

I am reaching out to a Garbage Truck loan you were working with Bethany Langve on last year in May. Bethany is no longer with the City. Can you fill me in on where she left off with her. I have been forwarded a few emails between the two of you. Any help you can provide will be greatly appreciated.

Thanks so much.

Kelly Strecker
City of Laurel, Montana
(406) 628-7431 extension 5100

MONTANA
BOARD OF INVESTMENTS
I N T E R C A P

May 14, 2021

Bethany Langve, Clerk-Treasurer
City of Laurel
P.O. Box 10
Laurel, MT 59044

Re: INTERCAP Program

Dear Ms. Langve:

Attached please find a Term Sheet whereby the Board is willing to make a \$300,000.00 loan to the City of Laurel to finance costs associated with a garbage truck.

Section 15 of the Term Sheet presents conditions that are specific to the borrower's loan request. No funds can be disbursed until these conditions are met to the satisfaction of the Board. The borrower must meet these conditions in a timely manner so that the loan may be made within the borrower's desired time frame. The board will review, as quickly as possible, any information submitted in meeting the conditions.

Once all conditions have been met, it usually takes about three weeks to prepare the final loan closing documents, have them executed, and disburse money; **therefore please notify us approximately four weeks prior to needing funds.**

As part of the closing process, the Board will prepare a template opinion for your governing body's general counsel to use. The template opinion calls for several representations and that the Borrower has perfected a security interest for the benefit of the Board for equipment and vehicles, if applicable. **To avoid delays at loan closing, please include your attorney at the beginning of the process so that he/she can provide a well informed opinion.**

We look forward to working with you to finance your project and appreciate your interest in the INTERCAP program. Please do not hesitate to call if you have any questions.

Sincerely,

Louise Welsh
Senior Bond Program Officer

LW/ps

Enclosure

2401 COLONIAL DRIVE, 3rd FLOOR, HELENA, MT 59601
P.O. BOX 200126, HELENA, MT 59620-0126
406-444-0001 | INVESTMENTMT.COM

INTERCAP PROGRAM

(An annual adjusting interest rate program for
Montana Local Governments)

TERM SHEET

of

STATE OF MONTANA BOARD OF INVESTMENTS
(herein referred to as the Board)

to

CITY OF LAUREL
(hereinafter referred to as the Borrower)

BORROWER'S ADDRESS: P.O. Box 10
Laurel, MT 59044

PRINCIPAL CONTACT PERSON: Bethany Langve, Clerk-Treasurer

PHONE NUMBER: (406) 628-7431

E-MAIL: cityclerk@laurel.mt.gov

LOAN AMOUNT: THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$300,000.00)

TERM OF LOAN: 7 years

TERM SHEET ISSUANCE DATE: May 13, 2021

TERM SHEET VALID THROUGH: May 13, 2022

BORROWER ACT: 7-7-4101, 7-7-4201, 7-7-4423, and 7-5-4306, M.C.A.

TABLE OF CONTENTS

Section 1. Definitions	2
Section 2. Variable rate program.....	3
Section 3. Authorization to borrow.	3
Section 4. Authorization to undertake project.	3
Section 5. Legal debt limits	3
Section 6. Bidding requirements and prevailing wage.	4
Section 7. Accuracy and timeliness of information on application.....	4
Section 8. Borrower action before loan closing.	4
Section 9. Project conformance and cost.	4
Section 10. Modification of term sheet.	4
Section 11. Loan closing submission.	4
Section 12. The loan agreement.	5
Section 13. Project/project costs.	5
Section 14. Total project/total project costs.	5
Section 15. Specific conditions.....	5

INTERCAP LOAN PROGRAM

Term Sheet

Section 1. Definitions.

Capitalized terms herein shall have the respective meanings assigned them in this Section 1, unless the context clearly otherwise requires:

"Act" shall mean Title 17, Chapter 5, Part 16, M.C.A., as amended.

"Adjusted interest rate" shall mean the interest rate on the Loan determined and established pursuant to the Loan Agreement or Bond Resolution.

"Application" shall mean the completed application form executed by the Borrower and submitted to the Board.

"Board" shall mean the State of Montana Board of Investments, a public body corporate organized and existing under the laws of the state of Montana and any successor of its functions hereunder.

"Bond" shall mean the bond or Note issued by the Borrower evidencing a Loan from the Board.

"Borrower" shall mean the Eligible Government Unit set forth on the cover hereof.

"Borrower Act" shall mean Section 7-7-4101, 7-7-4201, 7-7-4423, and 7-5-4306, Montana Code Annotated.

"Borrower Resolution" shall mean the resolution, in form and substance satisfactory to the Board, duly enacted by the Governing Body of the Borrower, authorizing the Loan and prescribing the terms thereof and establishing the security thereof, and authorizing the execution and delivery of the Loan Agreement and the Note.

"Eligible Government Unit" shall mean a city, town, school district, county or consolidated city-county, county water and sewer district, a rural fire district, a hospital district, a state agency, organized and existing under the laws of the state or any other governmental entity authorized by the issuer to participate in the INTERCAP Program.

"Governing Body" shall mean (i) with respect to a county, the Board of County Commissioners, (ii) with respect to a city, the City Council or Commission, (iii) with respect to a school district, county water or sewer district, hospital district, or rural fire district, the Board of Trustees, and iv) with respect to any other Eligible Government Unit, such official body having the authority to enter into contracts and to make binding decisions on behalf of such unit.

"Initial Interest Rate" shall mean the rate on the Loan from the date of the Loan to the first Interest Adjustment Date. The current loan rate through February 15, 2022 is 1.65 percent.

"INTERCAP Program or INTERCAP" shall mean the INTERCAP Program of the Board pursuant to which the Board will issue and sell INTERCAP Bonds and use the proceeds thereof to make loans to Eligible Government Units pursuant to the Borrower Act.

"INTERCAP Bonds" shall mean the State of Montana Board of Investments Annual Adjustable Rate Tender Option Municipal Finance Consolidation Act Bonds (INTERCAP Program).

"Interest Adjustment Date" shall mean February 16.

"Loan" shall mean the INTERCAP loan by the Board to the Borrower under the terms of the Loan Agreement or Bond Resolution.

"Loan Agreement" shall mean the agreement entered into between the Board and the Borrower; this agreement may also be a bond resolution or a supplemental bond resolution for the purpose of issuing bonds or additional parity bonds with respect to the Borrower's original revenue bond issue.

"Loan Date" shall mean the anticipated date of closing the Loan.

"Maximum Interest Rate" means the maximum rate of interest on the Bonds which shall not exceed fifteen percent (15%) per annum.

"Note" shall mean the promissory note or Bond issued by the Borrower evidencing a Loan from the Board.

"Pledged Revenues" shall mean the taxes, fees, revenues, assessments or other funds of the Borrower identified as to the source for the repayment of the Loan.

"Project" shall mean the portion of the Total Project to be financed by the INTERCAP Loan.

"Project Costs" shall mean the portion of the costs of the Total Project to be financed by the INTERCAP Loan.

"Total Project" shall mean the project as described in Section 14 of which some or all is to be financed by the INTERCAP Loan.

"Total Project Costs" shall mean the entire cost of acquiring, completing or constructing the project as further described in Section 14.

"System" shall mean, if applicable, the utility operated by the Borrower and from which the revenues pledged to the repayment of the Loan are pledged.

Section 2. Variable Rate Program.

The INTERCAP Program is a variable rate program with the interest rate adjusting each February 16.

Section 3. Authorization to Borrow.

The Borrower is a duly organized and existing Eligible Government Unit in the state of Montana and has the power under the Borrower Act to enter into a Loan.

Section 4. Authorization to Undertake Project.

The Governing Body will or has duly authorized the undertaking of the Project. Prior to the actual closing of the loan, the Borrower will have obtained or will have made all permits, findings and approvals required to the date hereof by any governmental agency or authority, including, but not limited to the Department of Environmental Quality (DEQ), the Environmental Protection Agency (EPA), and the Montana Environmental Protection Agency (MEPA) for the Project. With respect to the Project, the Borrower will comply with all federal and state regulations.

Section 5. Legal Debt Limits.

The issuance of the Bond or Note in a principal amount equal to the Loan Amount will not (i) cause the indebtedness of the Borrower to exceed any constitutional or statutory limitation or (ii) violate any term, condition or provision of or constitute a default under any resolution, contract or agreement to which the Borrower is a party or by which the Borrower is bound.

Section 6. Bidding Requirements and Prevailing Wage.

The Governing Body will follow where required by law the bidding statutes concerning public contracts including Section 18-2-403 M.C.A., preference for Montana labor and prevailing wage.

Section 7. Accuracy and Timeliness of Information on Application.

The information contained in the Application is true, accurate, complete, and not misleading on the date of its original delivery to the Board and as of the date hereof. Any financial information furnished as part of the Application is true and complete as of the dates and for the periods indicated, and there has been no material adverse change in the financial condition of the Borrower. The Borrower covenants that it will notify the Board of any material adverse change in the financial condition or the Borrower's ability to repay the Loan that may occur between the date hereof and the Loan Date.

Section 8. Borrower Action Before Loan Closing.

The Borrower recognizes that the closing of the Loan is dependent upon the Borrower's satisfaction of the terms and conditions and that any action taken by the Borrower with respect to entering into a contract for the acquisition or construction of the Project prior to the closing of the Loan is at its own risk and agrees to hold the Board harmless from any loss, damage or claim arising as a result from doing so.

Section 9. Project Conformance and Cost.

The Borrower acknowledges and agrees that the Project financed with INTERCAP money conforms with the Total Project description as presented in Section 14 and that all money necessary to pay for Total Project Costs will or has been procured prior to the disbursement of INTERCAP funds.

Section 10. Modification of Term Sheet.

The Borrower may request that the Project to be financed with the INTERCAP Loan be modified by either increasing or decreasing the loan amount requested. The Board will have the sole discretion whether or not to consent to an increase in the Loan Amount and such consent shall be in writing. The modification may not substantially change the scope of the Total Project without the Board's approval.

Section 11. Loan Closing Submission.

After all the Terms and Conditions have been met and the Borrower is ready to receive financing, the Borrower shall submit to the Board the following loan closing documents (**Board prepares items 1-3 loan documents**):

1. The Borrower Resolution and Loan Agreement;
2. The Note or Bond duly and validly authorized, issued, and executed by the Borrower;
3. An Opinion of Borrower's Counsel in a form acceptable to the Board; and
4. Such other certificates, documents, opinions and information as are required under the Loan Agreement to be delivered to the Board as of the date of issuance of the Note and such other opinions and certificates as the Board may reasonably request to demonstrate compliance with its representations, covenants and agreements contained in the Loan Agreement.

Section 12. The Loan Agreement.

The covenants and collateral, if any, securing the Loan shall be contained in the Loan Agreement and such other security instruments, if any, as the Board shall require. Forms of all INTERCAP Program documents required to be delivered by the Borrower to the Board will be provided by the Board.

Section 13. Project/Project Costs.

Garbage Truck	\$300,000.00
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Section 14. Total Project/Total Project Costs.

See Section 13.

Section 15. Specific Conditions.

These conditions are specific to this Loan. If the general language seems to conflict with the specific conditions, the specific conditions supersede the general language.

1. The Board will have first lien on project vehicle.