

City of Ironwood
213 S. Marquette St.
Ironwood, MI 49938



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Special Ironwood City Commission Meeting

A Special Meeting of the Ironwood City Commission will be held on Monday, June 19, 2017 at 5:00 P.M. in the City of Ironwood Commission Chambers, 213 S. Marquette Street, Ironwood, MI 49938.

The purpose of the Special Meeting will be to discuss and consider approving Resolutions, Bond Ordinances, Invoices, Contract/Agreement and Change Order with Ruotsala Construction, LLC, for the Phase IV Water and Sewer Utility Project contingent upon the review and approval from USDA Rural Development.

- A. Call the Special Meeting to Order.
Recording of the Roll.
- B. Citizens wishing to address the Commission on Items on the Agenda (3 Minute Limit).
- C. Discuss and consider approval of Loan Resolution #017-015 for incurring indebtedness with USDA for Phase IV Utility Project-Water in the amount of \$2,701,000.00.
- D. Discuss and Consider approval of Loan Resolution #017-016 for incurring indebtedness with USDA for Phase IV Utility Project – Sewer in the amount of \$422,000.00.
- E. Discuss and Consider adopting Ordinance No. 514, Book 5, an ordinance to provide for the issuance and sale of revenue bonds and revenue refunding bonds to provide for the acquisition, construction and equipping of improvements and extensions to the water supply system to serve the City of Ironwood, et al.
- F. Discuss and Consider adopting Ordinance No. 515, Book 5, an ordinance to provide for the issuance and sale of revenue bonds and revenue refunding bonds to provide for the acquisition, construction and equipping of improvements and extensions to the sewer disposal system to serve the City of Ironwood, et al.
- G. Discuss and Consider approval of Resolution #017-017 for payment of invoices for water system improvements to be reimbursed with proceeds from loans from USDA – Rural Development.
- H. Discuss and Consider approval of Resolution #017-018 for payment of invoices for sewer system improvements to be reimbursed with proceeds from loans from USDA – Rural Development.



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- I. Discuss and Consider approval of the Contract/Agreement between the City of Ironwood and Ruotsala Construction, LLC and authorize the Mayor to sign all applicable documents.
- J. Discuss and Consider approval of the Rural Development Change Order No. 1 for the City of Ironwood Phase IV Utility Project to Ruotsala Construction, LLC in the amount of \$160,676.50 and authorize the Mayor to sign all applicable documents.
- K. Adjournment.

LOAN RESOLUTION
(Public Bodies)A RESOLUTION OF THE CouncilOF THE IRONWOOD CITY OF

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the IRONWOOD CITY OF

(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

Two Million Seven Hundred and One Thousand & 00/100pursuant to the provisions of Revenue Bond P.A.No.94 of PA of 1933, as amended; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ _____

under the terms offered by the Government; that the Mayor

and Clerk of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yeas _____ Nays _____ Absent _____

IN WITNESS WHEREOF, the Council of the

IRONWOOD CITY OF has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this _____, _____ day of _____

(SEAL)

Attest:

By Annette Da Lio-Burchell
Title Mayor

Karen Gullan
Title Clerk

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as Clerk of the IRONWOOD CITY OF
hereby certify that the Council of such Association is composed of
_____ members, of whom, _____ constituting a quorum, were present at a meeting thereof duly called and
held on the _____ day of _____; and that the foregoing resolution was adopted at such meeting
by the vote shown above, I further certify that as of _____,
the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been
rescinded or amended in any way.

Dated, this _____ day of _____

Karen Gullan

Title Clerk

LOAN RESOLUTION
(Public Bodies)A RESOLUTION OF THE CouncilOF THE IRONWOOD CITY OFAUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A
PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the IRONWOOD CITY OF

(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

Four Hundred Twenty-Two Thousand & 00/100pursuant to the provisions of Revenue Bond P.A.No.94 of PA of 1933, as amended; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ 1,263,000.00

under the terms offered by the Government; that the Mayor

and Clerk of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yeas _____ Nays _____ Absent _____

IN WITNESS WHEREOF, the Council of the

IRONWOOD CITY OF has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this _____, _____ day of _____

(SEAL)

Attest:

By Annette Da Lio-Burchell
Title Mayor

Karen Gullan
Title Clerk

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as Clerk of the IRONWOOD CITY OF
hereby certify that the Council of such Association is composed of
_____ members, of whom, _____ constituting a quorum, were present at a meeting thereof duly called and
held on the _____ day of _____; and that the foregoing resolution was adopted at such meeting
by the vote shown above, I further certify that as of _____,
the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been
rescinded or amended in any way.

Dated, this _____ day of _____

Karen Gullan

Title Clerk

ORDINANCE NO. 514

AN ORDINANCE TO PROVIDE FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE SEWAGE DISPOSAL SYSTEM OF THE CITY OF IRONWOOD; TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY A PORTION OF THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND CERTAIN OUTSTANDING BONDS OF THE SYSTEM; TO PROVIDE AN ADEQUATE RESERVE ACCOUNT FOR THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF REVENUES OF THE SYSTEM; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS, THE OUTSTANDING BONDS AND THE SYSTEM; AND TO AMEND CERTAIN PROVISIONS OF ORDINANCE NO. 484 AND ORDINANCE NO. 504 OF THE CITY OF IRONWOOD.

THE CITY OF IRONWOOD ORDAINS:

Section 1. Definitions. In addition to the words and terms defined in the Outstanding Ordinances (as hereinafter defined) or elsewhere in this Ordinance, the following words and terms as used in this Ordinance shall have the meanings assigned in this Section, unless the context or use clearly indicates another or different meaning or intent.

The word “acquired,” as used in this Ordinance, shall be construed to include acquisition by purchase, construction or by any other method.

“Act 94” shall mean Act 94, Public Acts of Michigan, 1933, as amended.

“Additional Bonds” shall mean additional bonds issued pursuant to Section 17 of Ordinance No. 482, as amended and restated pursuant to the provisions of Section 17A of Ordinance No. 504.

“Bond Reserve Account” shall mean the subaccount in the Bond and Interest Redemption Account established in accordance with the Outstanding Ordinances.

“Depository Bank” shall mean River Valley Bank, Ironwood, Michigan, a member of the Federal Deposit Insurance Corporation, or other financial institution qualified to serve as depository bank and designated by the Issuer.

“Engineer” shall mean Coleman Engineering Company, Iron Mountain, Michigan.

“Fiscal Year” shall mean the fiscal year of the Issuer and the operating year of the System, commencing July 1 and ending June 30, as such year may be changed from time to time.

“Government” shall mean the government of the United States of America or any agency thereof.

“Issuer” shall mean the City of Ironwood, County of Gogebic, State of Michigan.

“Ordinance” shall mean this Ordinance and any ordinance or resolution of the Issuer amendatory or supplemental to this Ordinance.

“Ordinance No. 482” shall mean Ordinance No. 482 adopted by the City Commission of the Issuer on July 12, 2010, authorizing the issuance of the Series 2010B Bond.

“Ordinance No. 484” shall mean Ordinance No. 484 adopted by the City Commission of the Issuer on August 5, 2010, authorizing the issuance of the Series 2010C Bond.

“Ordinance No. 504” shall mean Ordinance No. 504 adopted by the City Commission of the Issuer on May 12, 2014, authorizing the issuance of the Series 2014A Bond, the Series 2014B Bond and the Series 2014C Bond.

“Outstanding Bonds” shall mean the Series 2010B Bond, the Series 2010C Bond, the Series 2014A Bond, the Series 2014B Bond and the Series 2014C Bond.

“Outstanding Ordinances” shall mean Ordinance No. 482, Ordinance No. 484 and Ordinance No. 504, authorizing the issuance of the Outstanding Bonds.

“Project” shall mean the acquisition and construction of improvements to the System, consisting generally of the replacement of sanitary sewer lines, manholes and service leads, together with related improvements, structures, equipment and appurtenances, all as described in the plans prepared by the Engineer.

“Reserve Amount” shall mean with respect to the Series 2017 Bond the lesser of (1) the maximum annual debt service due on the Series 2017 Bond in the current or any future year, (2) 125% of the average annual debt service on the Series 2017 Bond, or (3) 10% of the principal amount of the Series 2017 Bond on the date of issuance of the Series 2017 Bond.

“Revenues” and “Net Revenues” shall mean the revenues and net revenues of the Issuer derived from the operation of the System and shall be construed as defined in Section 3 of Act 94, including with respect to “Revenues,” the earnings on the investment of funds of the System and of funds deposited in the various funds and accounts of the System established pursuant to the Outstanding Ordinances and this Ordinance.

“Series 2010B Bond” shall mean the Issuer’s Sewage Disposal System Revenue Refunding Bond, Series 2010B (Taxable), in the original principal amount of \$117,000, authorized to be issued pursuant to Ordinance No. 482.

“Series 2010C Bond” shall mean the Issuer’s Sewage Disposal System Revenue Bond, Series 2010C (Taxable), in the original principal amount of \$930,000, authorized to be issued pursuant to Ordinance No. 484.

“Series 2014A Bond” shall mean the Issuer’s Sewage Disposal System Revenue Bond, Series 2014A (Taxable), in the original principal amount of \$1,712,000, authorized to be issued pursuant to Ordinance No. 504.

“Series 2014B Bond” shall mean the Issuer’s Sewage Disposal System Revenue Refunding Bond, Series 2014B (Taxable), in the original principal amount of \$1,687,000, authorized to be issued pursuant to Ordinance No. 504.

“Series 2014C Bond” shall mean the Issuer’s Sewage Disposal System Revenue Bond, Series 2014C (Taxable), in the original principal amount of \$2,166,000, authorized to be issued pursuant to Ordinance No. 504.

“Series 2017 Bond” shall mean the Issuer’s Sewage Disposal System Revenue Bond, Series 2017 (Taxable), in the original principal amount of \$422,000, authorized to be issued pursuant to this Ordinance.

“System” shall mean the Issuer's sewage disposal system, including such facilities thereof as are now existing, are acquired and constructed as the Project, and all enlargements, extensions, repairs and improvements thereto hereafter made.

“Transfer Agent” shall mean the transfer agent and bond registrar for the Series 2017 Bond as appointed from time to time by the Issuer as provided in Section 6 of this Ordinance and who or which shall carry out the duties and responsibilities as set forth in Sections 6 and 7 of this Ordinance.

Section 2. Necessity; Approval of Plans and Specifications. It is hereby determined to be a necessary public purpose of the Issuer to acquire and construct the Project in accordance with the plans and specifications prepared by the Issuer’s Engineer and on file with the Issuer, which plans and specifications are hereby approved.

Section 3. Costs; Useful Life. The total cost of the Project, including the payment of incidental expenses as specified in Section 4 of this Ordinance, is estimated to be One Million Six Hundred Eighty-Five Thousand Dollars (\$1,685,000), which estimate of cost is hereby approved and confirmed, and the period of usefulness of the Project is determined to be not less than forty (40) years.

Section 4. Payment of Costs; Series 2017 Bond Authorized. To pay part of the cost of acquiring and constructing the Project, including legal, engineering, financial and other expenses incident to said acquisition and construction, and incident to the issuance and sale of the Series 2017 Bond, it is hereby determined that the Issuer borrow the aggregate principal sum of not to exceed Four Hundred Twenty-Two Thousand Dollars (\$422,000) and issue the Series 2017 Bond therefor pursuant to the provisions of Act 94. The remaining cost of the Project shall be paid from grant funds and Issuer funds on hand and legally available for such use.

Except as amended by or expressly provided to the contrary in this Ordinance, all of the provisions of the Outstanding Ordinances shall apply to the Series 2017 Bond, the same as though each of said provisions were repeated in this Ordinance in detail; the purpose of this Ordinance being to authorize the issuance of Additional Bonds that are of equal standing and priority of lien as to the Net Revenues with the Outstanding Bonds. The issuance of Additional Bonds for the purposes described in this Ordinance is authorized by the provisions of the Outstanding Ordinances, upon the conditions therein stated, which conditions have been fully met.

Section 5. Series 2017 Bond Details. The Series 2017 Bond shall be designated SEWAGE DISPOSAL SYSTEM REVENUE BOND, SERIES 2017 (TAXABLE) (or such other designation as may be approved by the Mayor of the Issuer), shall be dated as of the date of delivery of the first installment, shall consist of one fully-registered nonconvertible bond of the denomination of \$422,000, and shall be payable in principal installments serially on June 1 of each year, as follows:

<u>June 1</u>	<u>Amount</u>	<u>June 1</u>	<u>Amount</u>
2018	\$ 8,000	2038	\$10,000
2019	8,000	2039	11,000
2020	8,000	2040	11,000
2021	8,000	2041	11,000
2022	8,000	2042	11,000
2023	8,000	2043	11,000
2024	8,000	2044	12,000
2025	8,000	2045	12,000
2026	9,000	2046	12,000
2027	9,000	2047	12,000
2028	9,000	2048	12,000
2029	9,000	2049	12,000
2030	9,000	2050	13,000
2031	9,000	2051	13,000
2032	9,000	2052	13,000
2033	10,000	2053	13,000
2034	10,000	2054	14,000
2035	10,000	2055	14,000
2036	10,000	2056	14,000
2037	10,000	2057	14,000

The Mayor is authorized to decrease the aggregate principal amount of the Series 2017 Bond and/or change the payment dates and the amounts of any of the foregoing installments if it is in the best interests of the Issuer, provided that the final principal payment of the Series 2017 Bond shall be due and payable within forty (40) years of the date of issuance of the Series 2017 Bond.

The Series 2017 Bond is expected to be delivered to the Government as initial purchaser thereof in installments (the “delivery installments”) and each delivery installment shall be noted on the registration grid set forth on the Series 2017 Bond. The delivery installments shall be deemed to correspond to the serial principal installments of the Series 2017 Bond in direct chronological order of said serial principal installments.

The serial principal installments of the Series 2017 Bond will each bear interest from the date of delivery of the corresponding delivery installment to the registered holder thereof as shown on the registration grid set forth on the Series 2017 Bond at the rate of 1.625% per annum, payable on the first June 1 or December 1 following the date of delivery of said delivery installment, and semiannually thereafter on June 1 and December 1 of each year until maturity or earlier prepayment of said installment, or such other dates as shall be determined by the Mayor at the time

the first delivery installment of the Series 2017 Bond is delivered to the Government. The Series 2017 Bond shall be issued in fully-registered form and shall not be convertible or exchangeable into more than one fully-registered bond.

The Series 2017 Bond or installments thereof will be subject to prepayment prior to maturity on any date on or after the date the first principal installment of the Series 2017 Bond is due, in the manner provided in the form of the Series 2017 Bond set forth in Section 9 of this Ordinance.

Section 6. Bond Registration and Transfer. The Transfer Agent shall keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Series 2017 Bond, which shall at all times be open to inspection by the Issuer. The Transfer Agent shall transfer or cause to be transferred on said books the Series 2017 Bond if presented for transfer, as hereinafter provided and subject to such reasonable regulations as it may prescribe.

The Series 2017 Bond may be transferred upon the books required to be kept by the Transfer Agent pursuant to this Section, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of the Series 2017 Bond for transfer, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever the Series 2017 Bond shall be surrendered for transfer, the Transfer Agent shall record such transfer on the registration books and shall register such transfer on the registration grid attached to the Series 2017 Bond. At the time of such transfer the Transfer Agent shall note on the Series 2017 Bond the outstanding principal amount thereof at the time of such transfer. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The Issuer shall not be required (i) to issue, register the transfer of, or exchange the Series 2017 Bond during a period beginning at the opening of business fifteen days before the day of the mailing of a notice of prepayment of the Series 2017 Bond or installments thereof selected for redemption and ending at the close of business on the day of that mailing, or (ii) to register the transfer of or exchange the Series 2017 Bond or portion thereof so selected for prepayment. In the event that the Series 2017 Bond is called for prepayment in part, the Transfer Agent, upon surrender of the Series 2017 Bond called for prepayment in part, shall note on the Series 2017 Bond the principal amount prepaid and shall return the Series 2017 Bond to the registered owner thereof together with the prepayment amount on the prepayment date.

The Treasurer/Finance Director of the Issuer is hereby appointed to act as Transfer Agent with respect to the Series 2017 Bond. If and at such time as the Series 2017 Bond is transferred to or held by any registered owner other than the Government, the Issuer by resolution may appoint a bank or trust company qualified under Michigan law to act as transfer agent and bond registrar with respect to the Series 2017 Bond, and the Issuer may thereafter appoint a successor Transfer Agent upon sixty (60) days' notice to the registered owner of the Series 2017 Bond.

Section 7. Payment of the Series 2017 Bond. Principal of and interest on the Series 2017 Bond shall be payable in lawful money of the United States of America by check or draft mailed by the Transfer Agent to the registered owner at the address of the registered owner as shown on

the registration books of the Issuer kept by the Transfer Agent. If the Government shall no longer be the registered owner of the Series 2017 Bond, then the principal of and interest on the Series 2017 Bond shall be payable to the registered owner of record as of the fifteenth day of the month preceding the payment date by check or draft mailed to the registered owner at the registered address. Such date of determination of the registered owner for purposes of payment of principal or interest may be changed by the Issuer to conform to future market practice. The Issuer's Treasurer/Finance Director is hereby authorized to execute an agreement with any successor Transfer Agent.

The Transfer Agent shall record on the registration books the payment by the Issuer of each installment of principal or interest or both on the Series 2017 Bond when made and the canceled checks or drafts representing such payments shall be returned to and retained by the Issuer's Treasurer/Finance Director, which canceled checks or drafts shall be conclusive evidence of such payments and the obligation of the Issuer with respect to such payments shall be discharged to the extent of such payments.

Upon payment by the Issuer of all outstanding principal of and interest on the Series 2017 Bond, the registered owner thereof shall deliver the Series 2017 Bond to the Issuer for cancellation.

Section 8. Execution and Delivery of the Series 2017 Bond. The Series 2017 Bond shall be manually signed by the Mayor and countersigned by the City Clerk and shall have the corporate seal of the Issuer impressed thereon. After execution, the Series 2017 Bond shall be held by the Issuer's Treasurer/Finance Director for delivery to the Government. Neither the Series 2017 Bond nor any installment thereof shall be valid until registered by the Issuer's Treasurer/Finance Director or by another person designated in writing by the Issuer's Treasurer/Finance Director to act as bond registrar, or upon transfer by the Government and thereafter, by an authorized representative of the Transfer Agent.

Section 9. Series 2017 Bond Form. The Series 2017 Bond shall be in substantially the following form, with such completions and other changes as are necessary to conform the Series 2017 Bond to the terms established at the time of sale of the Series 2017 Bond to the Government, as determined by the Mayor of the Issuer:

REGISTERED

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF GOGEBIC

CITY OF IRONWOOD
SEWAGE DISPOSAL SYSTEM REVENUE BOND,
SERIES 2017 (TAXABLE)

No. R-1

The City of Ironwood, County of Gogebic, State of Michigan (the “Issuer”), for value received, hereby promises to pay to the registered owner hereof, but only out of the hereinafter described Net Revenues of the Issuer’s Sewage Disposal System, including all appurtenances, additions, extensions and improvements thereto (the “System”), the sum of

Four Hundred Twenty-Two Thousand Dollars

on the dates and in the principal installment amounts set forth in Exhibit A attached hereto and made a part hereof with interest on said installments from the date each installment is delivered to the Issuer and as set forth on the registration grid hereon until paid at the rate of 1.625% per annum, first payable on _____ 1, 2017, and semiannually thereafter; provided that the principal repayments required herein to the registered owner shall not exceed the total of the principal installments set forth on the registration grid attached hereto from time to time hereafter to acknowledge receipt of payment of the purchase price of this bond up to a total of \$422,000. Both principal of and interest on this bond are payable in lawful money of the United States of America to the registered owner at the address shown on the Issuer’s registration books by check or draft mailed to the registered holder at the address shown on the registration books of the Issuer.

For prompt payment of principal and interest on this bond, the revenues of the System, after provision has been made for reasonable and necessary expenses of operation, administration and maintenance thereof (the “Net Revenues”), are hereby irrevocably pledged and a statutory first lien thereon is hereby recognized and created.

This bond is of equal standing and priority of lien as to the Net Revenues with the Issuer’s outstanding Sewage Disposal System Revenue Refunding Bond, Series 2010B (Taxable), dated July 19, 2010, the Issuer’s outstanding Sewage Disposal System Revenue Bond, Series 2010C (Taxable), dated August 17, 2010, the Issuer’s outstanding Sewage Disposal System Revenue Bond, Series 2010C (Taxable), dated August 17, 2010, the Issuer’s outstanding Sewage Disposal System Revenue Bond, Series 2014A (Taxable), dated May 23, 2014, the Issuer’s outstanding Sewage Disposal System Revenue Refunding Bond, Series 2014B (Taxable), dated May 23, 2014, and the Issuer’s outstanding Sewage Disposal System Revenue Bond, Series 2014C (Taxable), dated May 23, 2014 (the foregoing, collectively, the “Outstanding Bonds”).

This bond is a single, fully-registered, non-convertible bond in the principal sum of \$422,000, issued pursuant Ordinance No. 482 of the Issuer adopted on July 12, 2010, Ordinance

No. 484 of the Issuer adopted on August 5, 2010, Ordinance No. 504 of the Issuer adopted May 12, 2014 and Ordinance No. ____ of the Issuer adopted on June ____, 2017 (collectively, the “Ordinances”), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of acquiring and constructing improvements to the System. For a complete statement of the revenues from which, and the conditions under which, this bond is payable, a statement of the conditions under which additional bonds of equal standing as to the Net Revenues may hereafter be issued, and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Ordinances.

The Issuer has reserved the right to issue additional bonds of equal standing with this bond and the Outstanding Bonds on conditions stated in the Ordinances.

This bond is a self-liquidating bond and is not a general obligation of the Issuer and does not constitute an indebtedness of the Issuer within any constitutional, statutory or charter debt limitation, but is payable, both as to principal and interest, solely from the Net Revenues of the System. The principal of and interest on the bond is secured by the statutory lien hereinbefore mentioned.

The Issuer has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the interest upon and the principal of this bond, the Outstanding Bonds and any Additional Bonds hereafter issued, as and when the same shall become due and payable, and to maintain a bond and interest redemption account (including a bond reserve account) therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinances.

Principal installments of this bond are subject to prepayment prior to maturity, in inverse chronological order, at the Issuer’s option, on any date on or after _____ 1, 2018, at par and accrued interest to the date fixed for prepayment.

Thirty days’ notice of the call of any principal installments for prepayment shall be given by mail to the registered owner at the registered address. The principal installments so called for prepayment shall not bear interest after the date fixed for prepayment, provided funds are on hand to prepay said installments.

This bond shall be registered as to principal and interest on the books of the Issuer kept by the Issuer’s Treasurer/Finance Director or successor or written designee as bond registrar and transfer agent (the “Transfer Agent”) and noted hereon, after which it shall be transferable only upon presentation to the Transfer Agent with a written transfer by the registered owner or his attorney in fact. Such transfer shall be noted hereon and upon the books of the Issuer kept for that purpose by the Transfer Agent.

Capitalized terms used in this bond and not defined herein have the meanings set forth in

the Ordinances.

It is hereby certified and recited that all acts, conditions and things required by law to be done precedent to and in the issuance of this bond have been done and performed in regular and due time and form as required by law.

IN WITNESS WHEREOF, the City of Ironwood, by its City Commission, has caused this bond to be signed in its name by its Mayor and to be countersigned by its City Clerk, and its corporate seal to be hereunto affixed, all as of _____, 2017.

CITY OF IRONWOOD

By _____
Its: Mayor

(Seal)

Countersigned:

By _____
Its: City Clerk

REGISTRATION
NOTHING TO BE WRITTEN HEREON EXCEPT
BY THE BOND REGISTRAR/TRANSFER AGENT

Date of Registration of Delivery	Name of Registered Owner	Principal Installment Delivered	Signature of Bond Registrar/ Transfer Agent
	United States of America		
	United States of America		
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	United States of America		
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EXHIBIT A

<u>June 1</u>	<u>Amount</u>	<u>June 1</u>	<u>Amount</u>
2018	\$ 8,000	2038	\$10,000
2019	8,000	2039	11,000
2020	8,000	2040	11,000
2021	8,000	2041	11,000
2022	8,000	2042	11,000
2023	8,000	2043	11,000
2024	8,000	2044	12,000
2025	8,000	2045	12,000
2026	9,000	2046	12,000
2027	9,000	2047	12,000
2028	9,000	2048	12,000
2029	9,000	2049	12,000
2030	9,000	2050	13,000
2031	9,000	2051	13,000
2032	9,000	2052	13,000
2033	10,000	2053	13,000
2034	10,000	2054	14,000
2035	10,000	2055	14,000
2036	10,000	2056	14,000
2037	10,000	2057	14,000

Section 10. Security for Series 2017 Bond. The Series 2017 Bond and the interest thereon shall be payable solely from the Net Revenues, and to secure such payment, there is hereby created a statutory lien upon the whole of the Net Revenues, which shall be a first lien of equal standing and priority with the statutory first lien created pursuant to the Outstanding Ordinances to secure the Outstanding Bonds, to continue until payment in full of the principal of and interest on the Series 2017 Bond.

Section 11. Budget. Immediately upon the effective date of this Ordinance for the remainder of the current Fiscal Year, and thereafter prior to the beginning of each Fiscal Year, the Issuer shall prepare an annual budget for the System for the ensuing Fiscal Year itemized on the basis of monthly requirements. A copy of such budget shall be mailed to the Government without request from the Government for review prior to adoption (as long as the Government is the registered owner of the Series 2017 Bond).

Section 12. Custodian of Funds; Funds. The Issuer's Treasurer/Finance Director shall be custodian of all funds belonging to or associated with the System and such funds shall be deposited in the Depository Bank. The Issuer's Treasurer/Finance Director shall execute a fidelity bond with a surety company in an amount at least equal to the amount required by the Government.

The Issuer's Treasurer/Finance Director is hereby directed to create and maintain the following funds and accounts into which the proceeds of the Series 2017 Bond and the Revenues from the System shall be deposited in the manner and at the times provided in this Ordinance, which funds and accounts shall be established and maintained, except as otherwise provided, so long as the Series 2017 Bond hereby authorized remain unpaid.

(A) CONSTRUCTION ACCOUNT. The proceeds of the Series 2017 Bond shall be deposited with the Depository Bank in a separate deposit account to be designated the 2017 SEWAGE DISPOSAL SYSTEM REVENUE BOND CONSTRUCTION ACCOUNT (the "Construction Account"). Moneys in the Construction Account shall be transferred, expended and used only for the following purposes:

(1) To pay all legal, engineering, and financial expenses, and other expenses incident to the acquisition and construction of the Project and incident to the issuance, sale and delivery of the Series 2017 Bond.

(2) To pay the costs of the acquisition, construction, furnishing and equipping of the Project, or to reimburse the Issuer for funds expended in connection with the foregoing.

Any unexpended balance of the proceeds of sale of the Series 2017 Bond remaining after completion of the Project herein authorized may in the discretion of the Issuer be used for further improvements, enlargements and extensions to the System, provided that at the time of such expenditure such use be approved by the Department of Treasury (if such approval is then required by law). Any remaining balance after such expenditure shall be paid into the Bond and Interest Redemption Account and used as soon as is practical for the prepayment of installments of the Series 2017 Bond.

After completion of the Project and disposition of remaining proceeds, if any, of the Series

2017 Bond pursuant to the provisions of this Section, the Construction Account shall be closed.

(B) **SEWAGE DISPOSAL SYSTEM RECEIVING FUND.** Upon and after the effective date of this Ordinance, the Revenues of the System shall continue to be set aside into a separate fund designated the SEWAGE DISPOSAL SYSTEM RECEIVING FUND (the "Receiving Fund"). The Revenues credited to the Receiving Fund are pledged for the purposes of the funds and accounts established by the Outstanding Ordinances and this Ordinance and shall be transferred from the Receiving Fund periodically in the manner and at the times and in the order of priority specified in the Outstanding Ordinances and this Ordinance.

(1) Operation and Maintenance Account. Upon and after the effective date of this Ordinance, the Revenues of the System shall continue to be transferred each quarter of the Fiscal Year from the Receiving Fund to a separate account designated the OPERATION AND MAINTENANCE ACCOUNT (the "Operation and Maintenance Account") to pay the reasonable and necessary current expenses of administration and operating and maintaining the System for the ensuing quarter.

(2) Bond and Interest Redemption Account. There was established by Ordinance No. 482 a separate account designated the SEWAGE DISPOSAL SYSTEM BOND AND INTEREST REDEMPTION ACCOUNT (the "Bond and Interest Redemption Account"), which shall continue to be maintained by the Issuer. After the transfer required in (1) above, and in addition to the transfers to the Bond and Interest Redemption Account required by the Outstanding Ordinances, Revenues shall be transferred each quarter of the Fiscal Year from the Receiving Fund, before any other expenditures or transfer therefrom, and deposited in the Bond and Interest Redemption Account for payment of principal of and interest on the Series 2017 Bond and the Outstanding Bonds and to fund the Bond Reserve Account.

Upon any delivery of an installment of the Series 2017 Bond, there shall be set aside at the time of delivery and on the first day of each quarter of the Fiscal Year thereafter to the next interest payment date an amount equal to that fraction of the amount of interest due on the next interest payment date on said installment so delivered, the numerator of which is 1 and the denominator of which is the number of full and partial Fiscal Year quarters from the date of said delivery to the next interest payment date. There shall be set aside each Fiscal Year quarter after the delivery of the first principal installment an amount not less than 1/2 of the amount of interest due on the next interest payment date on all outstanding installments of the Series 2017 Bond not delivered during the then current interest payment period. The set aside or deposit of amounts required by this paragraph shall be in addition to the set aside or deposit requirements provided in the Outstanding Ordinances for the Outstanding Bonds.

Commencing with the Fiscal Year quarter beginning on July 1, 2017, there shall be set aside on the first day of each Fiscal Year quarter an amount not less than 1/4 of the amount of principal due on the Series 2017 Bond on the next principal payment date. Except as hereinafter provided, no further deposits shall be made into the Bond and Interest Redemption Account (excluding the Bond Reserve Account) once the aforesaid sums have been deposited therein. Any amount on deposit in the Bond and Interest Redemption Account (excluding the Bond Reserve Account) in excess of (a) the amount needed for payment of principal installments of the Series 2017 Bond and the Outstanding Bonds for the then current principal payment period, plus (b)

interest on the Series 2017 Bond and the Outstanding Bonds for the then current interest payment period, shall be used by the Issuer for redemption of principal installments of the Series 2017 Bond or the Outstanding Bonds, or, if such use is impracticable, shall be deposited in or credited to the Receiving Fund. The set aside or deposit of amounts required by this paragraph shall be in addition to the set aside or deposit requirements provided in the Outstanding Ordinances for the Outstanding Bonds.

If for any reason there is a failure to make such quarterly deposit in the amounts required, then the entire amount of the deficiency shall be set aside and deposited in the Bond and Interest Redemption Account out of the Revenues first received thereafter which are not required by the Outstanding Ordinances or this Ordinance to be deposited in the Operation and Maintenance Account or the Bond and Interest Redemption Account, which amount shall be in addition to the regular quarterly deposit required during such succeeding quarter or quarters.

There was established by Ordinance No. 482 a separate account within the Bond and Interest Redemption Account designated the BOND RESERVE ACCOUNT (the "Bond Reserve Account"), which shall continue to be maintained by the Issuer. Commencing July 1, 2017, and in addition to the transfers to the Bond Reserve Account required by the Outstanding Ordinances, there shall be withdrawn from the Receiving Account at the beginning of each Fiscal Year quarter and set aside in and transferred to the Bond Reserve Account, after provision has been made for the Operation and Maintenance Account and the current requirements of the Bond and Interest Redemption Account, the sum of at least \$375.00 per quarter (\$1,500.00 annually) until the lesser of the sum of \$15,000.00 or the Reserve Amount for the Series 2017 Bond has been added to the amounts required to be deposited in the Bond Reserve Account pursuant to the Outstanding Ordinances. Except as hereinafter provided, no further deposits shall be made into the Bond Reserve Account pursuant to the requirements of this Ordinance once the lesser of the sum of \$15,000.00 or the Reserve Amount for the Series 2017 Bond has been added to the amounts required to be deposited in the Bond Reserve Account pursuant to the Outstanding Ordinances. The moneys in the Bond Reserve Account shall be used solely for the payment of the principal installments of and interest on the Series 2017 Bond and the Outstanding Bonds as to which there would otherwise be default; provided, however, that in the event that the amount on deposit in the Bond Reserve Account at the end of any Fiscal Year exceeds the amount then required to be on deposit therein pursuant to the requirements of the Outstanding Ordinances and this Ordinance, the moneys in excess of such requirements shall be used to pay principal installments of and interest on the Series 2017 Bond or the Outstanding Bonds on the next payment date.

If at any time it shall be necessary to use moneys in the Bond Reserve Account for such payment, then the moneys so used shall be replaced from the Net Revenues first received thereafter which are not required by the Outstanding Ordinances or this Ordinance to be deposited to the Operation and Maintenance Account or to the Bond and Interest Redemption Account for current principal and interest requirements for the Series 2017 Bond or the Outstanding Bonds.

No further payments need be made into the Bond and Interest Redemption Account after enough of the principal installments of the Series 2017 Bond and the Outstanding Bonds have been retired so that the amount then held in the Bond and Interest Redemption Account (including the

Bond Reserve Account), is equal to the entire amount of principal and interest which will be payable at the time of maturity of all the principal installments of the Series 2017 Bond and the Outstanding Bonds then remaining outstanding.

The moneys in the Bond and Interest Redemption Account and the Bond Reserve Account shall be invested in accordance with Section 13 of this Ordinance, and profit realized or income earned on such investment shall be used or transferred as provided in Section 13 of this Ordinance.

(3) Repair, Replacement and Improvement Account. There was established by Ordinance No. 482 a separate account designated REPAIR, REPLACEMENT AND IMPROVEMENT ACCOUNT (the "RRI Account"), which shall continue to be maintained by the Issuer. After the transfers required in (1) and (2) above, and so long as any principal installments of the Series 2017 Bond or the Outstanding Bonds remain outstanding, Revenues shall continue to be transferred each Fiscal Year quarter from the Receiving Fund and deposited in the RRI Account in the amounts required by the Outstanding Ordinances. In addition, after the transfers required in (1) and (2) above, and so long as any principal installments of the Series 2017 Bond or the Outstanding Bonds remain outstanding, there shall be made an additional transfer each Fiscal Year quarter from the Receiving Account to the RRI Account in an amount not less than \$375.00 (\$1,500.00 annually), less the amount, if any, deposited in the Bond Reserve Account for the Series 2017 Bond in satisfaction of the requirements of Section 12(B)(2) of this Ordinance at the beginning of the same Fiscal Year quarter. Moneys in the RRI Account shall be used and disbursed only for the purpose of paying the cost of (a) repairing any damage to and emergency maintenance of the System, (b) repairing or replacing obsolete, deteriorating, deteriorated or worn out portions of the System, (c) acquiring and constructing extensions and improvements to the System and (d) when necessary, for the purpose of making payment of principal and interest on the Series 2017 Bond and the Outstanding Bonds. If the amount in the Bond and Interest Redemption Account and the Bond Reserve Account is not sufficient to pay the principal of and interest on the Series 2017 Bonds or the Outstanding Bonds when due, the moneys in the RRI Account shall be transferred to the Bond and Interest Redemption Account and used for that purpose. Moneys in the RRI Account may be invested in accordance with Section 13 of this Ordinance.

(4) Reverse Flow of Funds; Surplus Money. In the event the moneys in the Receiving Fund are insufficient to provide for the current requirements of the Operation and Maintenance Account, the Bond and Interest Redemption Account (including the Bond Reserve Account) or the RRI Account, any moneys and/or securities in the funds of the System described by the Outstanding Ordinances and this Ordinance shall be transferred, first, to the Operation and Maintenance Account, second, to the Bond and Interest Redemption Account, and third, to the RRI Account.

All moneys remaining in the Receiving Fund at the end of any Fiscal Year after satisfying the above requirements for the deposit of moneys into the Operation and Maintenance Account, the Bond and Interest Redemption Account (including the Bond Reserve Account) and the RRI Account may be transferred to the Bond and Interest Redemption Account and used to call the Series 2017 Bond or Outstanding Bonds for redemption, or at the option of the Issuer, transferred to the RRI Account and used for the purpose for which such funds were established; provided, however, that if there should be a deficit in the Operation and Maintenance Account, the Bond and Interest Redemption Account (including the Bond Reserve Account) or the RRI Account, on

account of defaults in setting aside therein the amounts hereinbefore required, then transfers shall be made from such moneys remaining in the Receiving Fund to such funds in the priority and order named in this Section, to the extent of such deficits.

Section 13. Investments. Moneys in the funds and accounts established herein and moneys derived from the proceeds of sale of the Series 2017 Bond may be invested by the Issuer in the obligations and instruments permitted for investment by Section 24 of Act 94, as the same may be amended from time to time; provided, however, that as long as the Series 2017 Bond is held by the Government, then the investment may be limited to the obligations and instruments authorized by the Government. Investment of moneys in the Bond and Interest Redemption Account being accumulated for payment on the next maturing principal or interest payment on the Series 2017 Bond shall be limited to obligations and instruments bearing maturity dates prior to the date of the next maturing principal or interest payment on the Series 2017 Bond. Investment of moneys in the Bond Reserve Account shall be limited to direct obligations of the United States of America or obligations the timely payment of which are fully guaranteed by the United States of America and bearing maturity dates or subject to redemption, at the option of the holder thereof, not later than five (5) years from the date of the investment. In the event investments are made, any securities representing the same shall be kept on deposit with the Depository Bank. Interest income earned on investment of funds in the Bond and Interest Redemption Account (except the Bond Reserve Account) shall be deposited in or credited to the Receiving Fund. Interest income earned on the investment of funds in the Bond Reserve Account shall be deposited in the Bond and Interest Redemption Account.

Section 14. Rates and Charges. Rates and charges for the services of the System have been established by the Issuer in an amount sufficient to pay the costs of operating, maintaining and administering the System, to pay the principal of and interest on the Series 2017 Bond and the Outstanding Bonds and to meet the requirements for repair, replacement, reconstruction and improvement and all other requirements provided in the Outstanding Ordinances and this Ordinance. The Issuer hereby covenants and agrees to fix and maintain at all times while any of the Series 2017 Bond or the Outstanding Bonds shall be outstanding such rates for service furnished by the System as shall be sufficient to provide for the foregoing expenses, requirements and covenants, and to create a Bond and Interest Redemption Account (including a Bond Reserve Account) for the Series 2017 Bond and the Outstanding Bonds. The rates and charges for all services and facilities rendered by the System shall be reasonable and just, taking into consideration the cost and value of the System and the cost of maintaining, repairing, and operating the same and the amounts necessary for the retirement of the Series 2017 Bond and the Outstanding Bonds, and accruing interest on the Series 2017 Bond and the Outstanding Bonds, and there shall be charged such rates and charges as shall be adequate to meet the requirements of this Section and Section 12 of this Ordinance.

Section 15. No Free Service. No free service shall be furnished by the System to any individual, firm or corporation, public or private or to any public agency or instrumentality.

Section 16. Covenants. The Issuer covenants and agrees, so long as the Series 2017 Bond hereby authorized remains unpaid, as follows:

(a) It will comply with applicable laws and regulations of the State of Michigan and continually operate and maintain the System in good condition.

(b) (i) It will maintain complete books and records relating to the operation and financial affairs of the System. If the Government is the holder of the Series 2017 Bond, the Government shall have the right to inspect the System and the records, accounts, and data relating thereto at all reasonable times.

(ii) It will cause an annual audit of such books of record and account for the preceding Fiscal Year to be made each year by a recognized independent certified public accountant, and will cause such accountant to mail a copy of such audit to the Government, without request of the Government. Such audit shall be completed and so made available not later than one hundred eighty (180) days after the close of each Fiscal Year.

(c) It will maintain and carry, for the benefit of the holder of the Series 2017 Bond and the Outstanding Bonds, insurance on all physical properties of the System, of the kinds and in the amounts normally carried by municipalities engaged in the operation of similar systems. The amount of said insurance shall be approved by the Government. All moneys received for losses under any such insurance policies shall be applied solely to the replacement and restoration of the property damaged or destroyed, and to the extent not so used, shall be used for the purpose of calling principal installments of the Series 2017 Bond and the Outstanding Bonds.

(d) It will not voluntarily dispose of or transfer its title to the System or any part thereof, including lands and interest in land, sale, mortgage, lease or other encumbrances, without obtaining the prior written consent of the Government.

(e) Any extensions to or improvements of the System shall be made according to sound engineering principles and specifications shall be submitted to the Government for prior review.

(f) Except as permitted by the Outstanding Ordinances and this Ordinance, it will not borrow any money from any source or enter into any contract or agreement or otherwise incur any other liabilities in connection with the System that may in any way be a lien upon the Revenues, without obtaining the prior written consent of the Government, nor shall it transfer or use any portion of the Revenues derived in the operation of the System for any purpose not specifically authorized by the Outstanding Ordinances or this Ordinance.

Section 17A. Amendment to Ordinance No. 484. Section 12(B)(3) of Ordinance No. 484 is hereby amended and restated in its entirety as set forth below, effective as of the date of delivery of the first installment of the Series 2017 Bond, upon receipt of the written consent of the Government as the holder of 100% of the outstanding principal amount of the Outstanding Bonds:

(3) *Repair, Replacement and Improvement Account. There is hereby established a separate account designated REPAIR, REPLACEMENT AND IMPROVEMENT ACCOUNT (the "RRI Account"). After the transfers required in (1) and (2) above, and so long as any principal installments of the Series 2010C Bond remain outstanding, revenues shall be transferred each Fiscal Year quarter from the Receiving Account and deposited in the RRI Account in an amount not less*

than \$975.00 per quarter (\$3,900.00 per year), less the amount, if any, deposited in the Bond Reserve Account for the Series 2010C Bond in satisfaction of the requirements of Section 12(B)(2) of this Ordinance at the beginning of the same Fiscal Year quarter. Moneys in the RRI Account shall be used and disbursed only for the purpose of paying the cost of (a) repairing any damage to and emergency maintenance of the System, (b) repairing or replacing obsolete, deteriorating, deteriorated or worn out portions of the System, (c) acquiring and constructing extensions and improvements to the System and (d) when necessary, for the purpose of making payment of principal and interest on the Bonds and the Outstanding Bonds. If the amount in the Bond and Interest Redemption Account and the Bond Reserve Account is not sufficient to pay the principal of and interest on the Bonds when due, the moneys in the RRI Account shall be transferred to the Bond and Interest Redemption Account and used for that purpose. Moneys in the RRI Account may be invested in accordance with Section 13 of this Ordinance.

Section 17B. Amendment to Ordinance No. 504. Section 12(B)(3) of Ordinance No. 504 is hereby amended and restated in its entirety as set forth below, effective as of the date of delivery of the first installment of the Series 2017 Bond, upon receipt of the written consent of the Government as the holder of 100% of the outstanding principal amount of the Outstanding Bonds:

(3) Repair, Replacement and Improvement Account. There was established by Ordinance No. 482 a separate account designated REPAIR, REPLACEMENT AND IMPROVEMENT ACCOUNT (the "RRI Account"), which shall continue to be maintained by the Issuer. After the transfers required in (1) and (2) above, and in addition to the transfers to the RRI Account required by the Outstanding Ordinances, and so long as any principal installments of the Series 2014 Bonds remain outstanding, Revenues shall be transferred each Fiscal Year quarter from the Receiving Account and deposited in the RRI Account in an amount not less than \$5,115.00 per quarter (\$20,460.00 annually), less the amount, if any, deposited in the Bond Reserve Account for the Series 2014 Bonds in satisfaction of the requirements of Section 12(B)(2) of this Ordinance at the beginning of the same Fiscal Year quarter. Moneys in the RRI Account shall be used and disbursed only for the purpose of paying the cost of (a) repairing any damage to and emergency maintenance of the System, (b) repairing or replacing obsolete, deteriorating, deteriorated or worn out portions of the System, (c) acquiring and constructing extensions and improvements to the System and (d) when necessary, for the purpose of making payment of principal and interest on the Series 2014 Bonds and the Outstanding Bonds. If the amount in the Bond and Interest Redemption Account and the Bond Reserve Account is not sufficient to pay the principal of and interest on the Series 2014 Bonds or the Outstanding Bonds when due, the moneys in the RRI Account shall be transferred to the Bond and Interest Redemption Account and used for that purpose. Moneys in the RRI Account may be invested in accordance with Section 13 of this Ordinance.

Section 18. Ordinance Shall Constitute Contract. The provisions of this Ordinance shall constitute a contract between the Issuer and the holder of the Series 2017 Bond and after the

issuance of the Series 2017 Bond this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights and interests of the holder of the Series 2017 Bond without the consent of such holder, nor, except as specifically provided herein, shall the Issuer adopt any law, ordinance or resolution in any way adversely affecting the rights of the holder so long as the Series 2017 Bond or interest thereon remains unpaid.

Section 19. Refunding of Series 2017 Bond. If at any time it shall appear to the Government that the Issuer is able to refund upon call for redemption or with consent of the Government the then outstanding Series 2017 Bond by obtaining a loan for such purposes from responsible cooperative or private credit sources at reasonable rates and terms for loans for similar purposes and periods of time, the Issuer will, upon request of the Government, apply for and accept such loan in sufficient amount to repay the Government, and will take all such actions as may be required in connection with such loans.

Section 20. Default of Issuer. If there shall be default in the Bond and Interest Redemption Account, provisions of this Ordinance or in the payment of principal of or interest on the Series 2017 Bond, upon the filing of a suit by the holders of not less than twenty percent (20%) in aggregate principal amount of the Series 2017 Bond then outstanding, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the Issuer and under the direction of the court, and by and with the approval of the court to perform all of the duties of the officers of the Issuer more particularly set forth in the Outstanding Ordinances, this Ordinance and Act 94. The Issuer hereby agrees to transfer to any bona fide receiver or other subsequent operator of the System, pursuant to any valid court order in a proceeding brought to enforce collection or payment of the Issuer's obligations, all contracts and other rights of the Issuer, conditionally, for such time only as such receiver or operator shall operate by authority of the court.

The holder of the Series 2017 Bond shall have all other rights and remedies given by Act 94 and law for the payment and enforcement of the Series 2017 Bond and the security therefor.

Section 21. Ordinance Subject to Michigan Law and Government Regulations. The provisions of this Ordinance are subject to the laws of the State of Michigan and to the present and future regulations of the Government not inconsistent with the express provisions hereof and Michigan law.

Section 22. Fiscal Year of System. The fiscal year for operating the System shall be the Fiscal Year.

Section 23. Issuer Subject to Loan Resolution. So long as the Government is holder of the Series 2017 Bond, the Issuer shall be subject to the loan resolution (RUS Bulletin 1780-27) and shall comply with all provisions thereof.

Section 24. Covenant Not to Defeas. So long as the Government is the holder of the Series 2017 Bond, the Issuer covenants that it will not defeas the Series 2017 Bond.

Section 25. Certain Determinations. The Mayor and the City Clerk are each hereby individually authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transactions authorized herein, and in pursuance of the foregoing each

is authorized to exercise the authority and make the determinations authorized pursuant to Section 7a(1)(c) of Act 94, including, but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters, *provided* that the aggregate principal amount of Series 2017 Bond issued hereunder shall not exceed \$422,000, the interest rate on the Series 2017 Bond shall not exceed 1.625% per annum, and the final principal payment of the Series 2017 Bond shall be due and payable within forty (40) years of the date of issuance of the Series 2017 Bond. The Mayor and the City Clerk are each hereby authorized to confirm the final terms and details of the Series 2017 Bond by execution of the Series 2017 Bond.

Section 26. Negotiated Sale. The Issuer has considered the option of selling the Series 2017 Bond pursuant to a competitive sale and a negotiated sale and determines to sell the Series 2017 Bond to the Government in a negotiated sale in order to obtain interest rates and other terms not generally available from conventional municipal bond market sources and for the opportunities provided by a negotiated sale to the Government to select and adjust the terms of the Series 2017 Bond, including the prepayment of the principal of the Series 2017 Bond at any time without premium.

The Mayor and the City Clerk are each hereby authorized and directed to negotiate the sale of the Series 2017 Bond to the Government at an interest rate not to exceed 1.625% per annum. The sale of the Series 2017 Bond to the Government at an interest rate of not to exceed 1.625% per annum and at the par value thereof is hereby approved. The Treasurer/Finance Director of the Issuer is hereby authorized to deliver the Series 2017 Bond in accordance with the delivery instructions of the Government.

Section 27. Authorization of Other Actions. The Mayor, the City Manager, the City Clerk, and the Treasurer/Finance Director are each authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary to complete the issuance and delivery of the Series 2017 Bond in accordance with this Ordinance.

Section 28. Conflict and Severability. All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed, and each section of this Ordinance and each subdivision of any section hereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision of this Ordinance.

Section 29. Paragraph Headings. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this Ordinance.

Section 30. Publication and Recordation. This Ordinance shall be published in full in *The Daily Globe*, a newspaper of general circulation in the Issuer, qualified under State law to publish legal notices, promptly after its adoption, and the same shall be recorded in the Ordinance Book of the Issuer and such recording authenticated by the signatures of the Mayor and the City Clerk.

Section 31. Effective Date. This Ordinance is hereby determined by the City Commission to be immediately necessary for the preservation of the peace, health and safety of the Issuer and

shall be in full force and effect from and after its passage and publication as required by law.

Passed and adopted by the City Commission of the City of Ironwood, County of Gogebic,
State of Michigan, on June 19, 2017.

Mayor

(Seal)

Attest:

City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the City Commission of the City of Ironwood, County of Gogebic, State of Michigan, at a special meeting held on the 19th day of June, 2017, 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.

I further certify that the following Commissioners were present at said meeting: _____, and that the following Commissioners were absent: _____.

I further certify that Commissioner _____ moved adoption of said Ordinance, and that said motion was supported by Commissioner _____.

I further certify that the following Commissioners voted for adoption of said Ordinance: _____, and that the following Commissioners voted against adoption of said Ordinance: _____.

I further certify that said Ordinance has been recorded in the Ordinance Book and that such recording has been authenticated by the signatures of the Mayor and the City Clerk.

City Clerk

ORDINANCE NO. 515

AN ORDINANCE TO PROVIDE FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE WATER SUPPLY SYSTEM OF THE CITY OF IRONWOOD; TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY A PORTION OF THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND CERTAIN OUTSTANDING BONDS OF THE SYSTEM; TO PROVIDE AN ADEQUATE RESERVE ACCOUNT FOR THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF REVENUES OF THE SYSTEM; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS, THE OUTSTANDING BONDS AND THE SYSTEM; AND TO AMEND CERTAIN PROVISIONS OF ORDINANCE NO. 503 OF THE CITY OF IRONWOOD.

THE CITY OF IRONWOOD ORDAINS:

Section 1. Definitions. In addition to the words and terms defined in the Outstanding Senior Lien Ordinances (as hereinafter defined) or elsewhere in this Ordinance, the following words and terms as used in this Ordinance shall have the meanings assigned in this Section, unless the context or use clearly indicates another or different meaning or intent.

The word “acquired,” as used in this Ordinance, shall be construed to include acquisition by purchase, construction or by any other method.

“Act 94” shall mean Act 94, Public Acts of Michigan, 1933, as amended.

“Additional Bonds” shall mean additional bonds issued pursuant to Section 17 of Ordinance No. 481, as amended and restated pursuant to the provisions of Section 17A of Ordinance No. 503.

“Bond Reserve Account” shall mean the subaccount in the Bond and Interest Redemption Account established in accordance with the Outstanding Senior Lien Ordinances.

“Depository Bank” shall mean River Valley Bank, Ironwood, Michigan, a member of the Federal Deposit Insurance Corporation, or other financial institution qualified to serve as depository bank and designated by the Issuer.

“Engineer” shall mean Coleman Engineering Company, Iron Mountain, Michigan.

“Fiscal Year” shall mean the fiscal year of the Issuer and the operating year of the System, commencing July 1 and ending June 30, as such year may be changed from time to time.

“Government” shall mean the government of the United States of America or any agency thereof.

“Issuer” shall mean the City of Ironwood, County of Gogebic, State of Michigan.

“Ordinance” shall mean this Ordinance and any ordinance or resolution of the Issuer amendatory or supplemental to this Ordinance.

“Ordinance No. 425” shall mean Ordinance No. 425 adopted by the City Commission of the Issuer on February 8, 1999, authorizing the issuance of the Series 1999 Bond.

“Ordinance No. 481” shall mean Ordinance No. 481 adopted by the City Commission of the Issuer on July 12, 2010, authorizing the issuance of the Series 2010B Bond.

“Ordinance No. 483” shall mean Ordinance No. 483 adopted by the City Commission of the Issuer on August 5, 2010, authorizing the issuance of the Series 2010C Bond.

“Ordinance No. 503” shall mean Ordinance No. 503 adopted by the City Commission of the Issuer on May 12, 2014, authorizing the issuance of the Series 2014A Bond, the Series 2014B Bond and the Series 2014C Bond.

“Outstanding Junior Lien Bonds” shall mean the Series 1999 Bond.

“Outstanding Senior Lien Bonds” shall mean the Series 2010B Bond, the Series 2010C Bond, the Series 2014A Bond, the Series 2014B Bond and the Series 2014C Bond.

“Outstanding Senior Lien Ordinances” shall mean Ordinance No. 481, Ordinance No. 483 and Ordinance No. 503, authorizing the issuance of the Outstanding Senior Lien Bonds.

“Project” shall mean the acquisition and construction of improvements to the System, consisting generally of the replacement of water distribution mains, water transmission mains, valves and hydrants, together with related improvements, structures, equipment and appurtenances, all as described in the plans prepared by the Engineer.

“Reserve Amount” shall mean with respect to the Series 2017 Bond the lesser of (1) the maximum annual debt service due on the Series 2017 Bond in the current or any future year, (2) 125% of the average annual debt service on the Series 2017 Bond, or (3) 10% of the principal amount of the Series 2017 Bond on the date of issuance of the Series 2017 Bond.

“Revenues” and “Net Revenues” shall mean the revenues and net revenues of the Issuer derived from the operation of the System and shall be construed as defined in Section 3 of Act 94, including with respect to “Revenues,” the earnings on the investment of funds of the System and of funds deposited in the various funds and accounts of the System established pursuant to the Outstanding Senior Lien Ordinances and this Ordinance.

“Series 1999 Bond” shall mean the Issuer’s Water Supply System Junior Lien Revenue Bond, Series 1999, in the original aggregate principal amount of \$900,000, authorized to be issued pursuant to Ordinance No. 425.

“Series 2010B Bond” shall mean the Issuer’s Water Supply System Revenue Refunding Bond, Series 2010B (Taxable), in the original principal amount of \$461,000, authorized to be issued pursuant to Ordinance No. 481.

“Series 2010C Bond” shall mean the Issuer’s Water Supply System Revenue Bond, Series 2010C (Taxable), in the original principal amount of \$1,203,000, authorized to be issued pursuant to Ordinance No. 483.

“Series 2014A Bond” shall mean the Issuer’s Water Supply System Revenue Bond, Series 2014A (Taxable), in the original principal amount of \$1,410,000, authorized to be issued pursuant to Ordinance No. 503.

“Series 2014B Bond” shall mean the Issuer’s Water Supply System Revenue Refunding Bond, Series 2014B (Taxable), in the original principal amount of \$1,396,000, authorized to be issued pursuant to the provisions of Ordinance No. 503.

“Series 2014C Bond” shall mean the Issuer’s Water Supply System Revenue Bond, Series 2014C (Taxable), in the original principal amount of \$2,932,000, authorized to be issued pursuant to the provisions of Ordinance No. 503.

“Series 2017 Bond” shall mean the Issuer’s Water Supply System Revenue Bond, Series 2017 (Taxable), in the original principal amount of \$2,701,000, authorized to be issued pursuant to this Ordinance.

“System” shall mean the Issuer's water supply system, including such facilities thereof as are now existing, are acquired and constructed as the Project, and all enlargements, extensions, repairs and improvements thereto hereafter made.

“Transfer Agent” shall mean the transfer agent and bond registrar for the Series 2017 Bond as appointed from time to time by the Issuer as provided in Section 6 of this Ordinance and who or which shall carry out the duties and responsibilities as set forth in Sections 6 and 7 of this Ordinance.

Section 2. Necessity; Approval of Plans and Specifications. It is hereby determined to be a necessary public purpose of the Issuer to acquire and construct the Project in accordance with the plans and specifications prepared by the Issuer’s Engineer and on file with the Issuer, which plans and specifications are hereby approved.

Section 3. Costs; Useful Life. The total cost of the Project, including the payment of incidental expenses as specified in Section 4 of this Ordinance, is estimated to be Two Million Seven Hundred One Thousand Dollars (\$2,701,000), which estimate of cost is hereby approved and confirmed, and the period of usefulness of the Project is determined to be not less than forty (40) years.

Section 4. Payment of Costs; Series 2017 Bond Authorized. To pay the cost of acquiring and constructing the Project, including legal, engineering, financial and other expenses incident to said acquisition and construction, and incident to the issuance and sale of the Series 2017 Bond, it

is hereby determined that the Issuer borrow the aggregate principal sum of not to exceed Two Million Seven Hundred One Thousand Dollars (\$2,701,000) and issue the Series 2017 Bond therefor pursuant to the provisions of Act 94. The remaining cost of the Project, if any, shall be paid from Issuer funds on hand and legally available for such use.

Except as amended by or expressly provided to the contrary in this Ordinance, all of the provisions of the Outstanding Senior Lien Ordinances shall apply to the Series 2017 Bond, the same as though each of said provisions were repeated in this Ordinance in detail; the purpose of this Ordinance being to authorize the issuance of Additional Bonds that are of equal standing and priority of lien as to the Net Revenues with the Outstanding Senior Lien Bonds. The issuance of Additional Bonds for the purposes described in this Ordinance is authorized by the provisions of the Outstanding Senior Lien Ordinances, upon the conditions therein stated, which conditions have been fully met.

Section 5. Series 2017 Bond Details. The Series 2017 Bond shall be designated WATER SUPPLY SYSTEM REVENUE BOND, SERIES 2017 (TAXABLE) (or such other designation as may be approved by the Mayor of the Issuer), shall be dated as of the date of delivery of the first installment, shall consist of one fully-registered nonconvertible bond of the denomination of \$2,701,000, and shall be payable in principal installments serially on June 1 of each year, as follows:

<u>June 1</u>	<u>Amount</u>	<u>June 1</u>	<u>Amount</u>
2018	\$48,000	2038	\$67,000
2019	49,000	2039	68,000
2020	50,000	2040	69,000
2021	51,000	2041	70,000
2022	52,000	2042	71,000
2023	53,000	2043	73,000
2024	53,000	2044	74,000
2025	54,000	2045	75,000
2026	55,000	2046	76,000
2027	56,000	2047	77,000
2028	57,000	2048	79,000
2029	58,000	2049	80,000
2030	59,000	2050	81,000
2031	60,000	2051	83,000
2032	61,000	2052	84,000
2033	62,000	2053	85,000
2034	63,000	2054	87,000
2035	64,000	2055	88,000
2036	65,000	2056	89,000
2037	66,000	2057	89,000

The Mayor is authorized to decrease the aggregate principal amount of the Series 2017 Bond and/or change the payment dates and the amounts of any of the foregoing installments if it is in the best interests of the Issuer, provided that the final principal payment of the Series 2017

Bond shall be due and payable within forty (40) years of the date of issuance of the Series 2017 Bond.

The Series 2017 Bond is expected to be delivered to the Government as initial purchaser thereof in installments (the “delivery installments”) and each delivery installment shall be noted on the registration grid set forth on the Series 2017 Bond. The delivery installments shall be deemed to correspond to the serial principal installments of the Series 2017 Bond in direct chronological order of said serial principal installments.

The serial principal installments of the Series 2017 Bond will each bear interest from the date of delivery of the corresponding delivery installment to the registered holder thereof as shown on the registration grid set forth on the Series 2017 Bond at the rate of 1.625% per annum, payable on the first June 1 or December 1 following the date of delivery of said delivery installment, and semiannually thereafter on June 1 and December 1 of each year until maturity or earlier prepayment of said installment, or such other dates as shall be determined by the Mayor at the time the first delivery installment of the Series 2017 Bond is delivered to the Government. The Series 2017 Bond shall be issued in fully-registered form and shall not be convertible or exchangeable into more than one fully-registered bond.

The Series 2017 Bond or installments thereof will be subject to prepayment prior to maturity on any date on or after the date the first principal installment of the Series 2017 Bond is due, in the manner provided in the form of the Series 2017 Bond set forth in Section 9 of this Ordinance.

Section 6. Bond Registration and Transfer. The Transfer Agent shall keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Series 2017 Bond, which shall at all times be open to inspection by the Issuer. The Transfer Agent shall transfer or cause to be transferred on said books the Series 2017 Bond if presented for transfer, as hereinafter provided and subject to such reasonable regulations as it may prescribe.

The Series 2017 Bond may be transferred upon the books required to be kept by the Transfer Agent pursuant to this Section, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of the Series 2017 Bond for transfer, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever the Series 2017 Bond shall be surrendered for transfer, the Transfer Agent shall record such transfer on the registration books and shall register such transfer on the registration grid attached to the Series 2017 Bond. At the time of such transfer the Transfer Agent shall note on the Series 2017 Bond the outstanding principal amount thereof at the time of such transfer. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The Issuer shall not be required (i) to issue, register the transfer of, or exchange the Series 2017 Bond during a period beginning at the opening of business fifteen days before the day of the mailing of a notice of prepayment of the Series 2017 Bond or installments thereof selected for redemption and ending at the close of business on the day of that mailing, or (ii) to register the transfer of or exchange the Series 2017 Bond or portion thereof so selected for prepayment. In the event that the Series 2017 Bond is called for prepayment in part, the Transfer Agent, upon surrender of the Series 2017 Bond called for prepayment in part, shall note on the Series 2017 Bond the principal amount prepaid and

shall return the Series 2017 Bond to the registered owner thereof together with the prepayment amount on the prepayment date.

The Treasurer/Finance Director of the Issuer is hereby appointed to act as Transfer Agent with respect to the Series 2017 Bond. If and at such time as the Series 2017 Bond is transferred to or held by any registered owner other than the Government, the Issuer by resolution may appoint a bank or trust company qualified under Michigan law to act as transfer agent and bond registrar with respect to the Series 2017 Bond, and the Issuer may thereafter appoint a successor Transfer Agent upon sixty (60) days' notice to the registered owner of the Series 2017 Bond.

Section 7. Payment of the Series 2017 Bond. Principal of and interest on the Series 2017 Bond shall be payable in lawful money of the United States of America by check or draft mailed by the Transfer Agent to the registered owner at the address of the registered owner as shown on the registration books of the Issuer kept by the Transfer Agent. If the Government shall no longer be the registered owner of the Series 2017 Bond, then the principal of and interest on the Series 2017 Bond shall be payable to the registered owner of record as of the fifteenth day of the month preceding the payment date by check or draft mailed to the registered owner at the registered address. Such date of determination of the registered owner for purposes of payment of principal or interest may be changed by the Issuer to conform to future market practice. The Issuer's Treasurer/Finance Director is hereby authorized to execute an agreement with any successor Transfer Agent.

The Transfer Agent shall record on the registration books the payment by the Issuer of each installment of principal or interest or both on the Series 2017 Bond when made and the canceled checks or drafts representing such payments shall be returned to and retained by the Issuer's Treasurer/Finance Director, which canceled checks or drafts shall be conclusive evidence of such payments and the obligation of the Issuer with respect to such payments shall be discharged to the extent of such payments.

Upon payment by the Issuer of all outstanding principal of and interest on the Series 2017 Bond, the registered owner thereof shall deliver the Series 2017 Bond to the Issuer for cancellation.

Section 8. Execution and Delivery of the Series 2017 Bond. The Series 2017 Bond shall be manually signed by the Mayor and countersigned by the City Clerk and shall have the corporate seal of the Issuer impressed thereon. After execution, the Series 2017 Bond shall be held by the Issuer's Treasurer/Finance Director for delivery to the Government. Neither the Series 2017 Bond nor any installment thereof shall be valid until registered by the Issuer's Treasurer/Finance Director or by another person designated in writing by the Issuer's Treasurer/Finance Director to act as bond registrar, or upon transfer by the Government and thereafter, by an authorized representative of the Transfer Agent.

Section 9. Series 2017 Bond Form. The Series 2017 Bond shall be in substantially the following form, with such completions and other changes as are necessary to conform the Series 2017 Bond to the terms established at the time of sale of the Series 2017 Bond to the Government, as determined by the Mayor of the Issuer:

REGISTERED

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF GOGEBIC

CITY OF IRONWOOD
WATER SUPPLY SYSTEM REVENUE BOND,
SERIES 2017 (TAXABLE)

No. R-1

The City of Ironwood, County of Gogebic, State of Michigan (the "Issuer"), for value received, hereby promises to pay to the registered owner hereof, but only out of the hereinafter described Net Revenues of the Issuer's Water Supply System, including all appurtenances, additions, extensions and improvements thereto (the "System"), the sum of

Two Million Seven Hundred One Thousand Dollars

on the dates and in the principal installment amounts set forth in Exhibit A attached hereto and made a part hereof with interest on said installments from the date each installment is delivered to the Issuer and as set forth on the registration grid hereon until paid at the rate of 1.625% per annum, first payable on _____ 1, 2017, and semiannually thereafter; provided that the principal repayments required herein to the registered owner shall not exceed the total of the principal installments set forth on the registration grid attached hereto from time to time hereafter to acknowledge receipt of payment of the purchase price of this bond up to a total of \$2,701,000. Both principal of and interest on this bond are payable in lawful money of the United States of America to the registered owner at the address shown on the Issuer's registration books by check or draft mailed to the registered holder at the address shown on the registration books of the Issuer.

For prompt payment of principal and interest on this bond, the revenues of the System, after provision has been made for reasonable and necessary expenses of operation, administration and maintenance thereof (the "Net Revenues"), are hereby irrevocably pledged and a statutory first lien thereon is hereby recognized and created.

This bond is of equal standing and priority of lien as to the Net Revenues with the Issuer's outstanding Water Supply System Revenue Refunding Bond, Series 2010B (Taxable), dated July 19, 2010, the Issuer's outstanding Water Supply System Revenue Bond, Series 2010C (Taxable), dated August 17, 2010, the Issuer's outstanding Water Supply System Revenue Bond, Series 2014A (Taxable), dated May 23, 2014, the Issuer's outstanding Water Supply System Revenue Refunding Bond, Series 2014B (Taxable), dated May 23, 2014, and the Issuer's outstanding Water Supply System Revenue Bond, Series 2014C (Taxable), dated May 23, 2014 (the foregoing, collectively, the "Outstanding Senior Lien Bonds"). This bond is senior in standing and priority of lien as to the Net Revenues to the Issuer's outstanding Water Supply System Junior Lien Revenue Bond, Series 1999, dated April 1, 1999 (the "Outstanding Junior Lien Bond"), issued pursuant to Ordinance No. 425 of the Issuer adopted on February 8, 1999 (the "Junior Lien Ordinance").

This bond is a single, fully-registered, non-convertible bond in the principal sum of \$2,701,000, issued pursuant Ordinance No. 481 of the Issuer adopted on July 12, 2010, Ordinance No. 483 of the Issuer adopted on August 5, 2010, Ordinance No. 503 of the Issuer adopted on May 12, 2014 and Ordinance No. ____ of the Issuer adopted on June __, 2017 (collectively, the “Senior Lien Ordinances”), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of acquiring and constructing improvements to the System. For a complete statement of the revenues from which, and the conditions under which, this bond is payable, a statement of the conditions under which additional bonds of equal standing as to the Net Revenues may hereafter be issued, and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Senior Lien Ordinances.

The Issuer has reserved the right to issue additional bonds of equal standing with this bond and the Outstanding Senior Lien Bonds on conditions stated in the Senior Lien Ordinances.

This bond is a self-liquidating bond and is not a general obligation of the Issuer and does not constitute an indebtedness of the Issuer within any constitutional, statutory or charter debt limitation, but is payable, both as to principal and interest, solely from the Net Revenues of the System. The principal of and interest on the bond is secured by the statutory lien hereinbefore mentioned.

The Issuer has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the interest upon and the principal of this bond, the Outstanding Senior Lien Bonds and any Additional Bonds hereafter issued, as and when the same shall become due and payable, and to maintain a bond and interest redemption account (including a bond reserve account) therefor, to provide for payment of the interest upon and the principal of the Outstanding Junior Lien Bond, as and when the same shall become due and payable, and to maintain a junior lien bond and interest account therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Senior Lien Ordinances and the Junior Lien Ordinance.

Principal installments of this bond are subject to prepayment prior to maturity, in inverse chronological order, at the Issuer’s option, on any date on or after _____ 1, 2018, at par and accrued interest to the date fixed for prepayment.

Thirty days’ notice of the call of any principal installments for prepayment shall be given by mail to the registered owner at the registered address. The principal installments so called for prepayment shall not bear interest after the date fixed for prepayment, provided funds are on hand to prepay said installments.

This bond shall be registered as to principal and interest on the books of the Issuer kept by the Issuer’s Treasurer/Finance Director or successor or written designee as bond registrar and transfer agent (the “Transfer Agent”) and noted hereon, after which it shall be transferable only

upon presentation to the Transfer Agent with a written transfer by the registered owner or his attorney in fact. Such transfer shall be noted hereon and upon the books of the Issuer kept for that purpose by the Transfer Agent.

Capitalized terms used in this bond and not defined herein have the meanings set forth in the Senior Lien Ordinances.

It is hereby certified and recited that all acts, conditions and things required by law to be done precedent to and in the issuance of this bond have been done and performed in regular and due time and form as required by law.

IN WITNESS WHEREOF, the City of Ironwood, by its City Commission, has caused this bond to be signed in its name by its Mayor and to be countersigned by its City Clerk, and its corporate seal to be hereunto affixed, all as of _____, 2017.

CITY OF IRONWOOD

By _____
Its: Mayor

(Seal)

Countersigned:

By _____
Its: City Clerk

REGISTRATION
NOTHING TO BE WRITTEN HEREON EXCEPT
BY THE BOND REGISTRAR/TRANSFER AGENT

[illegible]

EXHIBIT A

<u>June 1</u>	<u>Amount</u>	<u>June 1</u>	<u>Amount</u>
2018	\$48,000	2038	\$67,000
2019	49,000	2039	68,000
2020	50,000	2040	69,000
2021	51,000	2041	70,000
2022	52,000	2042	71,000
2023	53,000	2043	73,000
2024	53,000	2044	74,000
2025	54,000	2045	75,000
2026	55,000	2046	76,000
2027	56,000	2047	77,000
2028	57,000	2048	79,000
2029	58,000	2049	80,000
2030	59,000	2050	81,000
2031	60,000	2051	83,000
2032	61,000	2052	84,000
2033	62,000	2053	85,000
2034	63,000	2054	87,000
2035	64,000	2055	88,000
2036	65,000	2056	89,000
2037	66,000	2057	89,000

Section 10. Security for Series 2017 Bond. The Series 2017 Bond and the interest thereon shall be payable solely from the Net Revenues, and to secure such payment, there is hereby created a statutory lien upon the whole of the Net Revenues, which shall be a first lien of equal standing and priority with the statutory first lien created pursuant to the Outstanding Senior Lien Ordinances to secure the Outstanding Senior Lien Bonds, and of senior standing and priority to the statutory second lien created pursuant to Ordinance No. 425 to secure the Outstanding Junior Lien Bonds, to continue until payment in full of the principal of and interest on the Series 2017 Bond.

Section 11. Budget. Immediately upon the effective date of this Ordinance for the remainder of the current Fiscal Year, and thereafter prior to the beginning of each Fiscal Year, the Issuer shall prepare an annual budget for the System for the ensuing Fiscal Year itemized on the basis of monthly requirements. A copy of such budget shall be mailed to the Government without request from the Government for review prior to adoption (as long as the Government is the registered owner of the Series 2017 Bond).

Section 12. Custodian of Funds; Funds. The Issuer's Treasurer/Finance Director shall be custodian of all funds belonging to or associated with the System and such funds shall be deposited in the Depository Bank. The Issuer's Treasurer/Finance Director shall execute a fidelity bond with a surety company in an amount at least equal to the amount required by the Government.

The Issuer's Treasurer/Finance Director is hereby directed to create and maintain the following funds and accounts into which the proceeds of the Series 2017 Bond and the Revenues from the System shall be deposited in the manner and at the times provided in this Ordinance, which funds and accounts shall be established and maintained, except as otherwise provided, so long as the Series 2017 Bond hereby authorized remains unpaid.

(A) **CONSTRUCTION ACCOUNT.** The proceeds of the Series 2017 Bond shall be deposited with the Depository Bank in a separate deposit account to be designated the 2017 WATER SUPPLY SYSTEM CONSTRUCTION ACCOUNT (the "Construction Account"). Moneys in the Construction Account shall be transferred, expended and used only for the following purposes:

(1) To pay all legal, engineering, and financial expenses, and other expenses incident to the acquisition and construction of the Project and incident to the issuance, sale and delivery of the Series 2017 Bond.

(2) To pay the costs of the acquisition, construction, furnishing and equipping of the Project, or to reimburse the Issuer for funds expended in connection with the foregoing.

Any unexpended balance of the proceeds of sale of the Series 2017 Bond remaining after completion of the Project may, in the discretion of the Issuer, be used for further improvements, enlargements and extensions to the System, provided that at the time of such expenditure such use be approved by the Department of Treasury (if such approval is then required by law). Any remaining balance after such expenditures shall be paid into the Bond and Interest Redemption Account and used as soon as is practical for the prepayment of installments of the Series 2017 Bond.

After completion of the Project and disposition of remaining proceeds, if any, of the Series 2017 Bond pursuant to the provisions of this Section, the Construction Account shall be closed.

(B) **WATER SUPPLY SYSTEM RECEIVING FUND.** Upon and after the effective date of this Ordinance, the Revenues of the System shall continue to be set aside into a separate fund designated the WATER SUPPLY SYSTEM RECEIVING FUND (the "Receiving Fund"). The Revenues credited to the Receiving Fund are pledged for the purposes of the funds and accounts established by the Outstanding Senior Lien Ordinances, Ordinance No. 425 and this Ordinance and shall be transferred from the Receiving Fund periodically in the manner and at the times and in the order of priority specified in the Outstanding Senior Lien Ordinances, Ordinance No. 425 and this Ordinance.

(1) **Operation and Maintenance Account.** Upon and after the effective date of this Ordinance, the Revenues of the System shall continue to be transferred each quarter of the Fiscal Year from the Receiving Fund to a separate account designated the OPERATION AND MAINTENANCE ACCOUNT (the "Operation and Maintenance Account") to pay the reasonable and necessary current expenses of administration and operating and maintaining the System for the ensuing quarter.

(2) **Bond and Interest Redemption Account.** There was established by Ordinance No. 481 a separate account designated the WATER SUPPLY SYSTEM BOND AND INTEREST REDEMPTION ACCOUNT (the "Bond and Interest Redemption Account"), which shall continue to be maintained by the Issuer. After the transfer required in (1) above, and in addition to the transfers to the Bond and Interest Redemption Account required by the Outstanding Senior Lien Ordinances, Revenues shall be transferred each quarter of the Fiscal Year from the Receiving Fund, before any other expenditures or transfer therefrom, and deposited in the Bond and Interest Redemption Account for payment of principal of and interest on the Series 2017 Bond and the Outstanding Senior Lien Bonds and to fund the Bond Reserve Account.

Upon any delivery of an installment of the Series 2017 Bond, there shall be set aside at the time of delivery and on the first day of each quarter of the Fiscal Year thereafter to the next interest payment date an amount equal to that fraction of the amount of interest due on the next interest payment date on said installment so delivered, the numerator of which is 1 and the denominator of which is the number of full and partial Fiscal Year quarters from the date of said delivery to the next interest payment date. There shall be set aside each Fiscal Year quarter after the delivery of the first principal installment an amount not less than 1/2 of the amount of interest due on the next interest payment date on all outstanding installments of the Series 2017 Bond not delivered during the then current interest payment period. The set aside or deposit of amounts required by this paragraph shall be in addition to the set aside or deposit requirements provided in the Outstanding Senior Lien Ordinances for the Outstanding Senior Lien Bonds.

Commencing with the Fiscal Year quarter beginning on July 1, 2017, there shall be set aside on the first day of each Fiscal Year quarter an amount not less than 1/4 of the amount of principal due on the Series 2017 Bond on the next principal payment date. Except as hereinafter provided, no further deposits shall be made into the Bond and Interest Redemption Account (excluding the Bond Reserve Account) once the aforesaid sums have been deposited therein. Any amount on deposit in the Bond and Interest Redemption Account (excluding the Bond Reserve

Account) in excess of (a) the amount needed for payment of principal installments of the Series 2017 Bond and the Outstanding Senior Lien Bonds for the then current principal payment period, plus (b) interest on the Series 2017 Bond and the Outstanding Senior Lien Bonds for the then current interest payment period, shall be used by the Issuer for redemption of principal installments of the Series 2017 Bond or the Outstanding Senior Lien Bonds, or, if such use is impracticable, shall be deposited in or credited to the Receiving Fund. The set aside or deposit of amounts required by this paragraph shall be in addition to the set aside or deposit requirements provided in the Outstanding Senior Lien Ordinances for the Outstanding Senior Lien Bonds.

If for any reason there is a failure to make such quarterly deposit in the amounts required, then the entire amount of the deficiency shall be set aside and deposited in the Bond and Interest Redemption Account out of the Revenues first received thereafter which are not required by the Outstanding Senior Lien Ordinances or this Ordinance to be deposited in the Operation and Maintenance Account or the Bond and Interest Redemption Account, which amount shall be in addition to the regular quarterly deposit required during such succeeding quarter or quarters.

There was established by Ordinance No. 481 a separate account within the Bond and Interest Redemption Account designated the BOND RESERVE ACCOUNT (the "Bond Reserve Account"), which shall continue to be maintained by the Issuer. Commencing July 1, 2017, and in addition to the transfers to the Bond Reserve Account required by the Outstanding Senior Lien Ordinances, there shall be withdrawn from the Receiving Account at the beginning of each Fiscal Year quarter and set aside in and transferred to the Bond Reserve Account, after provision has been made for the Operation and Maintenance Account and the current requirements of the Bond and Interest Redemption Account, the sum of at least \$2,325.00 per quarter (\$9,300.00 annually) until the lesser of the sum of \$93,000.00 or the Reserve Amount for the Series 2017 Bond has been added to the amounts required to be deposited in the Bond Reserve Account pursuant to the Outstanding Senior Lien Ordinances. Except as hereinafter provided, no further deposits shall be made into the Bond Reserve Account pursuant to the requirements of this Ordinance once the lesser of the sum of \$93,000.00 or the Reserve Amount for the Series 2017 Bond has been added to the amounts required to be deposited in the Bond Reserve Account pursuant to the Outstanding Senior Lien Ordinances. The moneys in the Bond Reserve Account shall be used solely for the payment of the principal installments of and interest on the Series 2017 Bond and the Outstanding Senior Lien Bonds as to which there would otherwise be default; provided, however, that in the event that the amount on deposit in the Bond Reserve Account at the end of any Fiscal Year exceeds the amount then required to be on deposit therein pursuant to the requirements of the Outstanding Senior Lien Ordinances and this Ordinance, the moneys in excess of such requirements shall be used to pay principal installments of and interest on the Series 2017 Bond or the Outstanding Senior Lien Bonds on the next payment date.

If at any time it shall be necessary to use moneys in the Bond Reserve Account for such payment, then the moneys so used shall be replaced from the Net Revenues first received thereafter which are not required by the Outstanding Senior Lien Ordinances or this Ordinance to be deposited to the Operation and Maintenance Account or to the Bond and Interest Redemption Account for current principal and interest requirements for the Series 2017 Bond or the Outstanding Senior Lien Bonds.

No further payments need be made into the Bond and Interest Redemption Account after

enough of the principal installments of the Series 2017 Bond and the Outstanding Senior Lien Bonds have been retired so that the amount then held in the Bond and Interest Redemption Account (including the Bond Reserve Account), is equal to the entire amount of principal and interest which will be payable at the time of maturity of all the principal installments of the Series 2017 Bond and the Outstanding Senior Lien Bonds then remaining outstanding.

The moneys in the Bond and Interest Redemption Account and the Bond Reserve Account shall be invested in accordance with Section 13 of this Ordinance, and profit realized or income earned on such investment shall be used or transferred as provided in Section 13 of this Ordinance.

(3) Junior Lien Bond Redemption Fund. There was established by Ordinance No. 425 a Junior Lien Bond Redemption Fund, which shall continue to be maintained by the Issuer. After the transfers required in (1) and (2) above, Revenues of the System shall continue to be deposited in the Junior Lien Bond Redemption Fund at the times specified in Ordinance No. 425 for so long as the Outstanding Junior Lien Bonds remain outstanding.

(4) Repair, Replacement and Improvement Account. There was established by Ordinance No. 481 a separate account designated REPAIR, REPLACEMENT AND IMPROVEMENT ACCOUNT (the "RRI Account"), which shall continue to be maintained by the Issuer. After the transfers required in (1), (2) and (3) above, and so long as any principal installments of the Series 2017 Bond or the Outstanding Senior Lien Bonds remain outstanding, Revenues shall continue to be transferred each Fiscal Year quarter from the Receiving Account and deposited in the RRI Account in the amounts required by the Outstanding Senior Lien Ordinances. In addition, after the transfers required in (1), (2) and (3) above, and so long as any principal installments of the Series 2017 Bond or the Outstanding Senior Lien Bonds remain outstanding, there shall be made an additional transfer each Fiscal Year quarter from the Receiving Account to the RRI Account in an amount not less than \$2,325.00 (\$9,300.00 annually), less the amount, if any, deposited in the Bond Reserve Account for the Series 2017 Bond in satisfaction of the requirements of Section 12(B)(2) of this Ordinance at the beginning of the same Fiscal Year quarter. Moneys in the RRI Account shall be used and disbursed only for the purpose of paying the cost of (a) repairing any damage to and emergency maintenance of the System, (b) repairing or replacing obsolete, deteriorating, deteriorated or worn out portions of the System, (c) acquiring and constructing extensions and improvements to the System and (d) when necessary, for the purpose of making payment of principal and interest on the Series 2017 Bonds and the Outstanding Senior Lien Bonds. If the amount in the Bond and Interest Redemption Account and the Bond Reserve Account is not sufficient to pay the principal of and interest on the Series 2017 Bond or the Outstanding Senior Lien Bonds when due, the moneys in the RRI Account shall be transferred to the Bond and Interest Redemption Account and used for that purpose. Moneys in the RRI Account may be invested in accordance with Section 13 of this Ordinance.

(4) Reverse Flow of Funds; Surplus Money. In the event the moneys in the Receiving Fund are insufficient to provide for the current requirements of the Operation and Maintenance Account, the Bond and Interest Redemption Account (including the Bond Reserve Account), the Junior Lien Bond Redemption Fund or the RRI Account, any moneys and/or securities in the funds of the System described by the Outstanding Senior Lien Ordinances, Ordinance No. 425 and this Ordinance shall be transferred, first, to the Operation and Maintenance Account, second, to the Bond and Interest Redemption Account, third, to the Junior Lien Bond Redemption Fund, and

fourth, to the RRI Account.

All moneys remaining in the Receiving Fund at the end of any Fiscal Year after satisfying the above requirements for the deposit of moneys into the Operation and Maintenance Account, the Bond and Interest Redemption Account (including the Bond Reserve Account), the Junior Lien Bond Redemption Fund and the RRI Account may be transferred to the Bond and Interest Redemption Account and used to call the Series 2017 Bond or Outstanding Senior Lien Bonds for redemption, or at the option of the Issuer, transferred to the RRI Account and used for the purpose for which such funds were established; provided, however, that if there should be a deficit in the Operation and Maintenance Account, the Bond and Interest Redemption Account (including the Bond Reserve Account), the Junior Lien Bond Redemption Fund or the RRI Account, on account of defaults in setting aside therein the amounts hereinbefore required, then transfers shall be made from such moneys remaining in the Receiving Fund to such funds in the priority and order named in this Section, to the extent of such deficits.

Section 13. Investments. Moneys in the funds and accounts established herein and moneys derived from the proceeds of sale of the Series 2017 Bond may be invested by the Issuer in the obligations and instruments permitted for investment by Section 24 of Act 94, as the same may be amended from time to time; provided, however, that as long as the Series 2017 Bond is held by the Government, then the investment may be limited to the obligations and instruments authorized by the Government. Investment of moneys in the Bond and Interest Redemption Account being accumulated for payment on the next maturing principal or interest payment on the Series 2017 Bond shall be limited to obligations and instruments bearing maturity dates prior to the date of the next maturing principal or interest payment on the Series 2017 Bond. Investment of moneys in the Bond Reserve Account shall be limited to direct obligations of the United States of America or obligations the timely payment of which are fully guaranteed by the United States of America and bearing maturity dates or subject to redemption, at the option of the holder thereof, not later than five (5) years from the date of the investment. In the event investments are made, any securities representing the same shall be kept on deposit with the Depository Bank. Interest income earned on investment of funds in the Bond and Interest Redemption Account (except the Bond Reserve Account) shall be deposited in or credited to the Receiving Fund. Interest income earned on the investment of funds in the Bond Reserve Account shall be deposited in the Bond and Interest Redemption Account.

Section 14. Rates and Charges. Rates and charges for the services of the System have been established by the Issuer in an amount sufficient to pay the costs of operating, maintaining and administering the System, to pay the principal of and interest on the Series 2017 Bond, the Outstanding Senior Lien Bonds and the Outstanding Junior Lien Bonds and to meet the requirements for repair, replacement, reconstruction and improvement and all other requirements provided in the Outstanding Senior Lien Ordinances, Ordinance No. 425 and this Ordinance. The Issuer hereby covenants and agrees to fix and maintain at all times while any of the Series 2017 Bond or the Outstanding Senior Lien Bonds shall be outstanding such rates for service furnished by the System as shall be sufficient to provide for the foregoing expenses, requirements and covenants, and to create a Bond and Interest Redemption Account (including a Bond Reserve Account) for the Series 2017 Bond and the Outstanding Senior Lien Bonds. The rates and charges for all services and facilities rendered by the System shall be reasonable and just, taking into

consideration the cost and value of the System and the cost of maintaining, repairing, and operating the same and the amounts necessary for the retirement of the Series 2017 Bond, the Outstanding Senior Lien Bonds and the Outstanding Junior Lien Bonds, and accruing interest on the Series 2017 Bond, the Outstanding Senior Lien Bonds and the Outstanding Junior Lien Bonds, and there shall be charged such rates and charges as shall be adequate to meet the requirements of this Section and Section 12 of this Ordinance.

Section 15. No Free Service. No free service shall be furnished by the System to any individual, firm or corporation, public or private or to any public agency or instrumentality.

Section 16. Covenants. The Issuer covenants and agrees, so long as the Series 2017 Bond hereby authorized remains unpaid, as follows:

(a) It will comply with applicable laws and regulations of the State of Michigan and continually operate and maintain the System in good condition.

(b) (i) It will maintain complete books and records relating to the operation and financial affairs of the System. If the Government is the holder of the Series 2017 Bond, the Government shall have the right to inspect the System and the records, accounts, and data relating thereto at all reasonable times.

(ii) It will cause an annual audit of such books of record and account for the preceding Fiscal Year to be made each year by a recognized independent certified public accountant, and will cause such accountant to mail a copy of such audit to the Government, without request of the Government. Such audit shall be completed and so made available not later than one hundred eighty (180) days after the close of each Fiscal Year.

(c) It will maintain and carry, for the benefit of the holders of the Series 2017 Bond and the Outstanding Senior Lien Bonds, insurance on all physical properties of the System, of the kinds and in the amounts normally carried by municipalities engaged in the operation of similar systems. The amount of said insurance shall be approved by the Government. All moneys received for losses under any such insurance policies shall be applied solely to the replacement and restoration of the property damaged or destroyed, and to the extent not so used, shall be used for the purpose of calling principal installments of the Series 2017 Bond and the Outstanding Senior Lien Bonds.

(d) It will not voluntarily dispose of or transfer its title to the System or any part thereof, including lands and interest in land, sale, mortgage, lease or other encumbrances, without obtaining the prior written consent of the Government.

(e) Any extensions to or improvements of the System shall be made according to sound engineering principles and specifications shall be submitted to the Government for prior review.

(f) Except as permitted by the Outstanding Senior Lien Ordinances and this Ordinance, it will not borrow any money from any source or enter into any contract or agreement or otherwise incur any other liabilities in connection with the System that may in any way be a lien upon the Revenues, without obtaining the prior written consent of the Government, nor shall it transfer or

use any portion of the Revenues derived in the operation of the System for any purpose not specifically authorized by the Outstanding Senior Lien Ordinances or this Ordinance.

Section 17. Amendment to Ordinance No. 503. Section 12(B)(4) of Ordinance No. 503 is hereby amended and restated in its entirety as set forth below, effective as of the date of delivery of the first installment of the Series 2017 Bond, upon receipt of the written consent of the Government as the holder of 100% of the outstanding principal amount of the Outstanding Senior Lien Bonds:

(4) Repair, Replacement and Improvement Account. There was established by Ordinance No. 481 a separate account designated REPAIR, REPLACEMENT AND IMPROVEMENT ACCOUNT (the "RRI Account"), which shall continue to be maintained by the Issuer. After the transfers required in (1), (2) and (3) above, and in addition to the transfers to the RRI Account required by the Outstanding Senior Lien Ordinances, and so long as any principal installments of the Series 2014 Bonds remain outstanding, Revenues shall be transferred each Fiscal Year quarter from the Receiving Account and deposited in the RRI Account in an amount not less than \$5,290.00 per quarter (\$21,160.00 annually), less the amount, if any, deposited in the Bond Reserve Account for the Series 2014 Bonds in satisfaction of the requirements of Section 12(B)(2) of this Ordinance at the beginning of the same Fiscal Year quarter. Moneys in the RRI Account shall be used and disbursed only for the purpose of paying the cost of (a) repairing any damage to and emergency maintenance of the System, (b) repairing or replacing obsolete, deteriorating, deteriorated or worn out portions of the System, (c) acquiring and constructing extensions and improvements to the System and (d) when necessary, for the purpose of making payment of principal and interest on the Series 2014 Bonds and the Outstanding Senior Lien Bonds. If the amount in the Bond and Interest Redemption Account and the Bond Reserve Account is not sufficient to pay the principal of and interest on the Series 2014 Bonds or the Outstanding Senior Lien Bonds when due, the moneys in the RRI Account shall be transferred to the Bond and Interest Redemption Account and used for that purpose. Moneys in the RRI Account may be invested in accordance with Section 13 of this Ordinance.

Section 18. Ordinance Shall Constitute Contract. The provisions of this Ordinance shall constitute a contract between the Issuer and the holder of the Series 2017 Bond and after the issuance of the Series 2017 Bond this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights and interests of the holder of the Series 2017 Bond without the consent of such holder, nor, except as specifically provided herein, shall the Issuer adopt any law, ordinance or resolution in any way adversely affecting the rights of the holder so long as the Series 2017 Bond or interest thereon remains unpaid.

Section 19. Refunding of Series 2017 Bond. If at any time it shall appear to the Government that the Issuer is able to refund upon call for redemption or with consent of the Government the then outstanding Series 2017 Bond by obtaining a loan for such purposes from responsible cooperative or private credit sources at reasonable rates and terms for loans for similar purposes and periods of time, the Issuer will, upon request of the Government, apply for and accept

such loan in sufficient amount to repay the Government, and will take all such actions as may be required in connection with such loans.

Section 20. Default of Issuer. If there shall be default in the Bond and Interest Redemption Account, provisions of this Ordinance or in the payment of principal of or interest on the 2017 Bond, upon the filing of a suit by the holders of not less than twenty percent (20%) in aggregate principal amount of the Series 2017 Bond then outstanding, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the Issuer and under the direction of the court, and by and with the approval of the court to perform all of the duties of the officers of the Issuer more particularly set forth in the Outstanding Senior Lien Ordinances, Ordinance No. 425, this Ordinance and Act 94. The Issuer hereby agrees to transfer to any bona fide receiver or other subsequent operator of the System, pursuant to any valid court order in a proceeding brought to enforce collection or payment of the Issuer's obligations, all contracts and other rights of the Issuer, conditionally, for such time only as such receiver or operator shall operate by authority of the court.

The holder of the Series 2017 Bond shall have all other rights and remedies given by Act 94 and law for the payment and enforcement of the Series 2017 Bond and the security therefor.

Section 21. Ordinance Subject to Michigan Law and Government Regulations. The provisions of this Ordinance are subject to the laws of the State of Michigan and to the present and future regulations of the Government not inconsistent with the express provisions hereof and Michigan law.

Section 22. Fiscal Year of System. The fiscal year for operating the System shall be the Fiscal Year.

Section 23. Issuer Subject to Loan Resolution. So long as the Government is holder of the Series 2017 Bond, the Issuer shall be subject to the loan resolution (RUS Bulletin 1780-27) and shall comply with all provisions thereof.

Section 24. Covenant Not to Defeas. So long as the Government is the holder of the Series 2017 Bond, the Issuer covenants that it will not defeas the Series 2017 Bond.

Section 25. Certain Determinations. The Mayor and the City Clerk are each hereby individually authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transactions authorized herein, and in pursuance of the foregoing each is authorized to exercise the authority and make the determinations authorized pursuant to Section 7a(1)(c) of Act 94, including, but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters, *provided* that the aggregate principal amount of the Series 2017 Bond issued hereunder shall not exceed \$2,701,000, the interest rate on the Series 2017 Bond shall not exceed 1.625% per annum, and the final principal payment of the Series 2017 Bond shall be due and payable within forty (40) years of the date of issuance of the Series 2017 Bond. The Mayor and the City Clerk are each hereby authorized to confirm the final terms and details of the Series 2017 Bond by execution of the Series 2017 Bond.

Section 26. Negotiated Sale. The Issuer has considered the option of selling the Series 2017 Bond pursuant to a competitive sale and a negotiated sale and determines to sell the Series 2017 Bond to the Government in a negotiated sale in order to obtain interest rates and other terms not generally available from conventional municipal bond market sources and for the opportunities provided by a negotiated sale to the Government to select and adjust the terms of the Series 2017 Bond, including the prepayment of the principal of the Series 2017 Bond at any time without premium.

The Mayor and the City Clerk are each hereby authorized and directed to negotiate the sale of the Series 2017 Bond to the Government at an interest rate not to exceed 1.625% per annum. The sale of the Series 2017 Bond to the Government at an interest rate of not to exceed 1.625% per annum and at the par value thereof is hereby approved. The Treasurer/Finance Director of the Issuer is hereby authorized to deliver the Series 2017 Bond in accordance with the delivery instructions of the Government.

Section 27. Authorization of Other Actions. The Mayor, the City Manager, the City Clerk, and the Treasurer/Finance Director are each authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary to complete the issuance and delivery of the Series 2017 Bond in accordance with this Ordinance.

Section 28. Conflict and Severability. All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed, and each section of this Ordinance and each subdivision of any section hereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision of this Ordinance.

Section 29. Paragraph Headings. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this Ordinance.

Section 30. Publication and Recordation. This Ordinance shall be published in full in *The Daily Globe*, a newspaper of general circulation in the Issuer, qualified under State law to publish legal notices, promptly after its adoption, and the same shall be recorded in the Ordinance Book of the Issuer and such recording authenticated by the signatures of the Mayor and the City Clerk.

Section 31. Effective Date. This Ordinance is hereby determined by the City Commission to be immediately necessary for the preservation of the peace, health and safety of the Issuer and shall be in full force and effect from and after its passage and publication as required by law.

Passed and adopted by the City Commission of the City of Ironwood, County of Gogebic, State of Michigan, on June 19, 2017.

Mayor

(Seal)

Attest:

City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the City Commission of the City of Ironwood, County of Gogebic, State of Michigan, at a special meeting held on the 19th day of June, 2017, 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.

I further certify that the following Commissioners were present at said meeting: _____, and that the following Commissioners were absent: _____.

I further certify that Commissioner _____ moved adoption of said Ordinance, and that said motion was supported by Commissioner _____.

I further certify that the following Commissioners voted for adoption of said Ordinance: _____, and that the following Commissioners voted against adoption of said Ordinance: _____.

I further certify that said Ordinance has been recorded in the Ordinance Book and that such recording has been authenticated by the signatures of the Mayor and the City Clerk.

City Clerk

Resolution #017-017
City of Ironwood
Gogebic County, Michigan
Resolution to Approve Invoices Associated with the City of Ironwood Phase IV Utility Project – Water System Improvements

A RESOLUTION OF THE CITY OF IRONWOOD TO APPROVE PAYMENT OF WATER SYSTEM IMPROVEMENTS PROJECT INVOICES TO- DATE.

WHEREAS, the City of Ironwood has previously approved and made payment of certain invoices for the Water System Improvements Project; and

WHEREAS, there are payments pending that have not been approved or paid to date; and

WHEREAS, the attached list of invoices to-date has been assembled for approval; and

WHEREAS, it is planned that payment of these invoices and reimbursement of payments previously made will be accomplished through funds obtained from the United States Department of Agriculture Rural Development.

NOW, THEREFORE, BE IT RESOLVED, THAT THE CITY OF IRONWOOD, GOGEBIC COUNTY, STATE OF MICHIGAN

- A. Reaffirms approval of invoices previously approved as shown on the attached list; and
- B. Approves payment of outstanding invoices as shown on the attached list; and
- C. Approves payments in the total amount of \$_____ which will be funded by Rural Development

Ayes: _____

Nayes: _____

ADOPTED THIS 19th DAY OF JUNE, 2017.

CITY OF IRONWOOD

Annette Da-Lio Burchell, Mayor

I, Karen Gullan, City Clerk of the City of Ironwood certify that the City of Ironwood Commission adopted the foregoing resolution in public session held on June 19, 2017.

Dated: June 19, 2017

Karen Gullan, City Clerk

Resolution #017-018
City of Ironwood
Gogebic County, Michigan

Resolution to Approve Invoices Associated with the City of Ironwood Phase IV Utility Project – Sewer System Improvements

A RESOLUTION OF THE CITY OF IRONWOOD TO APPROVE PAYMENT OF SEWER SYSTEM IMPROVEMENTS PROJECT INVOICES TO- DATE.

WHEREAS, the City of Ironwood has previously approved and made payment of certain invoices for the Sewer System Improvements Project; and

WHEREAS, there are payments pending that have not been approved or paid to date; and

WHEREAS, the attached list of invoices to-date has been assembled for approval; and

WHEREAS, it is planned that payment of these invoices and reimbursement of payments previously made will be accomplished through funds obtained from the United States Department of Agriculture Rural Development.

NOW, THEREFORE, BE IT RESOLVED, THAT THE CITY OF IRONWOOD, GOGEBIC COUNTY, STATE OF MICHIGAN

A. Reaffirms approval of invoices previously approved as shown on the attached list; and

B. Approves payment of outstanding invoices as shown on the attached list; and

C. Approves payments in the total amount of \$ _____ which will be funded by Rural Development

Ayes: _____

Nays: _____

ADOPTED THIS 19th DAY OF JUNE, 2017.

CITY OF IRONWOOD

Annette Da-Lio Burchell, Mayor

I, Karen Gullan, City Clerk of the City of Ironwood certify that the City of Ironwood Commission adopted the foregoing resolution in public session held on June 19, 2017.

Dated: June 19, 2017

Karen Gullan, City Clerk

**AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)**

THIS AGREEMENT is by and between City of Ironwood ("Owner") and
Ruotsala Construction, LLC ("Contractor").

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

- 1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

Existing sanitary sewer and watermain replacement, including replacement of existing storm sewers, addition of new storm sewers and the associated road reconstruction and restoration as detailed in the bid form and contract drawings.

ARTICLE 2 – THE PROJECT

- 2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: Phase IV Utility Project

ARTICLE 3 – ENGINEER

- 3.01 The part of the Project that pertains to the Work has been designed by Coleman Engineering Company, Ironwood MI 49938.
- 3.02 The Owner has retained Coleman Engineering Company, Ironwood MI 49938 ("Engineer") to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 – CONTRACT TIMES

- 4.01 *Time of the Essence*
- A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.
- 4.02 *Contract Times: Days*
- A. The Work will be substantially completed within 155 calendar days after the date when the Contract Times commence to run as provided in Paragraph 4.01 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions within 155 calendar days after the date when the Contract Times commence to run. The calendar days allowed account for a seasonal suspension of work beginning on or about November 15, 2017 and ending upon the removal of seasonal weight limits in the spring of 2018.

4.03 Liquidated Damages

- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
1. Substantial Completion: Contractor shall pay Owner \$ 1,000.00 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.
 2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$ 1,000.00 for each day that expires after such time until the Work is completed and ready for final payment.
 3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.

4.04 Special Damages

[Deleted]

ARTICLE 5 – CONTRACT PRICE

- 5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:
- A. For all Unit Price Work, an amount equal to the sum of the extended prices (established for each separately identified item of Unit Price Work by multiplying the unit price times the actual quantity of that item):

Unit Price Work					
Item No.	Description	Unit	Estimated Quantity	Unit Price	Extended Price
	A COPY OF THE BID IS ATTACHED TO THE CONTRACT. PLEASE SEE BID FORM.				
Total of all Extended Prices for Unit Price Work (subject to final adjustment based on actual quantities)					\$

The extended prices for Unit Price Work set forth as of the Effective Date of the Contract are based on estimated quantities. As provided in Paragraph 13.03 of the General

Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer.

ARTICLE 6 – PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment on or about the fourth Monday of each month for work completed in the previous month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.
 - 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract
 - a. 95 percent of Work completed (with the balance being retainage); ~~if the Work has been 50 percent completed as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage; and~~
 - b. 95 percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).
- B. Upon Substantial Completion of the entire construction to be provided under the Contract Documents, Owner shall pay an amount sufficient to increase total payments to Contractor to 100 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less 200 percent of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

ARTICLE 7 – INTEREST

- 7.01 All amounts not paid when due shall bear interest at the rate of maximum allowed by law.

ARTICLE 8 – CONTRACTOR’S REPRESENTATIONS

- 8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:
- A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.
 - B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 - C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
 - D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.
 - E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor’s safety precautions and programs.
 - F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
 - G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
 - H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
 - I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
 - J. Contractor’s entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 *Contents*

- A. The Contract Documents consist of the following:

1. This Agreement (pages 1 to 7, inclusive).
 2. Performance bond (pages 1 to 3, inclusive).
 3. Payment bond (pages 1 to 3, inclusive).
 4. Other bonds.
 - a. (pages to , inclusive).
 5. General Conditions (pages 1 to 65, inclusive).
 6. Supplementary Conditions (pages 1 to 15, inclusive).
 7. Specifications as listed in the table of contents of the Project Manual.
 8. Drawings (not attached but incorporated by reference) consisting of 65 sheets with each sheet bearing the following general title: City of Ironwood Phase IV Utility Project.
 9. Addenda (numbers 1 to 1, inclusive).
 10. Exhibits to this Agreement (enumerated as follows):
 - a. Contractor's Bid (pages 1 to 8, inclusive).
 - b. Documentation submitted by Contractor prior to Notice of Award (pages N/A to N/A, inclusive).
 11. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed.
 - b. Work Change Directives.
 - c. Change Orders.
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

ARTICLE 10 – MISCELLANEOUS

10.01 Terms

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 Assignment of Contract

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an

assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 *Successors and Assigns*

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 *Severability*

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:
 - 1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 - 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 - 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
 - 4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

10.06 *Other Provisions*

- A. Michigan Act 524, PA 1980 (MCLA 125.1561 et seq.) regarding contractor retainage escrow accounts does not apply to Rural Development funds. There will be no escrow account for retainage or interest earned from Rural Development funds.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on June 15, 2017 (which is the Effective Date of the Contract).

OWNER:

CONTRACTOR:

By: Annette DaLio-Burchell

By: David W. Ruotsala

Title: Mayor

Title: President

Attest: Scott Erickson

Attest: _____

Title: City Manager

Title: _____

Address for giving notices:

City of Ironwood

Address for giving notices:

Ruotsala Construction, LLC

213 South Marquette Street

E5299 Hannu Road

Ironwood, Michigan 49938

Ironwood, Michigan 49938

License No.: _____

(where applicable)

(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

**City of Ironwood - Phase IV Utility Project
Bid Tabulation for Bids Received May 25, 2017**

Water System Upgrades			Ruotsala Construction, LLC	
Description	Unit	Quantity	Unit Price	Extension
101. 6-Inch Watermain	Ft	15	\$ 37.00	\$ 555.00
102. 8-Inch Watermain	Ft	6265	\$ 40.00	\$ 250,600.00
103. 12-Inch Watermain	Ft	228	\$ 55.00	\$ 12,540.00
104. 16-Inch Watermain	Ft	4961	\$ 100.00	\$ 496,100.00
105. 16-Inch Watermain - Special	Ft	540	\$ 70.00	\$ 37,800.00
106. 8-Inch Gate Valve & Box	Ea	19	\$ 1,600.00	\$ 30,400.00
107. 12-Inch Gate Valve & Box	Ea	11	\$ 2,800.00	\$ 30,800.00
108. 16-Inch Butterfly Valve & Box	Ea	7	\$ 6,500.00	\$ 45,500.00
109. Gate Box, Reconstruct, Case 1	Ea	5	\$ 1,000.00	\$ 5,000.00
110. 8 x 8 x 6 Tee	Ea	18	\$ 400.00	\$ 7,200.00
111. 8 x 8 x 8 Tee	Ea	6	\$ 300.00	\$ 1,800.00
112. 12 x 12 x 6 Tee	Ea	4	\$ 425.00	\$ 1,700.00
113. 12 x 12 x 8 Tee	Ea	1	\$ 450.00	\$ 450.00
114. 12 x 12 x 12 Tee	Ea	3	\$ 525.00	\$ 1,575.00
115. 16 x 16 x 6 Tee	Ea	1	\$ 650.00	\$ 650.00
116. 16 x 16 x 12 Tee	Ea	1	\$ 1,000.00	\$ 1,000.00
117. 16 x 16 x 16 Tee	Ea	3	\$ 1,100.00	\$ 3,300.00
118. 12 x 8 x 12 x 8 Cross	Ea	2	\$ 525.00	\$ 1,050.00
119. 8 x 6 Reducer	Ea	3	\$ 200.00	\$ 600.00
120. 12 x 8 Reducer	Ea	2	\$ 300.00	\$ 600.00
121. 8-Inch Cap/Plug	Ea	3	\$ 150.00	\$ 450.00
122. 8-Inch 45° Bend	Ea	6	\$ 250.00	\$ 1,500.00
123. 8-Inch 11.25° Bend	Ea	5	\$ 250.00	\$ 1,250.00
124. 12-Inch 45° Bend	Ea	3	\$ 375.00	\$ 1,125.00
125. 12-Inch 11.25° Bend	Ea	1	\$ 300.00	\$ 300.00
126. 16-Inch 45° Bend	Ea	2	\$ 700.00	\$ 1,400.00
127. 16-Inch 11.25° Bend	Ea	1	\$ 700.00	\$ 700.00
128. Steel Casing Pipe, 30-Inch, Jacked-In-Place	Ft	90	\$ 200.00	\$ 18,000.00
129. Line Stops - 6-Inch	Ea	1	\$ 5,000.00	\$ 5,000.00
130. Line Stops - 16-Inch	Ea	3	\$ 15,000.00	\$ 45,000.00
131. Air Relief Vault	Ea	3	\$ 5,000.00	\$ 15,000.00
132. Marker Post	Ea	39	\$ 50.00	\$ 1,950.00
133. 1-Inch Corporation Stop	Ea	74	\$ 125.00	\$ 9,250.00
134. 1-Inch Curb Stop & Box	Ea	69	\$ 200.00	\$ 13,800.00
135. 1-Inch Type K Copper Service	Ft	1703	\$ 25.00	\$ 42,575.00
136. 6 x 12 Grade Offset Adapter	Ea	10	\$ 200.00	\$ 2,000.00
137. 6-Inch Ductile Iron Hydrant Lead	Ft	248	\$ 35.00	\$ 8,680.00
138. Fire Hydrant Assembly	Ea	20	\$ 4,500.00	\$ 90,000.00
139. Fire Hydrant Assembly - Special	Ea	1	\$ 5,500.00	\$ 5,500.00
140. Salvage Existing Hydrant	Ea	10	\$ 200.00	\$ 2,000.00
141. Connect to Existing 6 Watermain	Ea	3	\$ 1,000.00	\$ 3,000.00
142. Connect to Existing 8 Watermain	Ea	3	\$ 1,100.00	\$ 3,300.00
143. Connect to Existing 12 Watermain	Ea	14	\$ 1,200.00	\$ 16,800.00
144. Connect to Existing 16 Watermain	Ea	7	\$ 2,000.00	\$ 14,000.00
145. Remove Existing 16 Cap	Ea	1	\$ 100.00	\$ 100.00
146. Rock Excavation	Cyd	970	\$ 35.00	\$ 33,950.00
147. Special Backfill	Cyd	500	\$ 10.00	\$ 5,000.00
148. Stone Refill (MDOT 6A)	Cyd	500	\$ 25.00	\$ 12,500.00
149. Utility Exploration	Ea	45	\$ 250.00	\$ 11,250.00
150. Insulation	Sft	1148	\$ 1.00	\$ 1,148.00
151. TransCanada/Great Lakes Gas Pipeline Crossing	LS	1	\$ 80,000.00	\$ 80,000.00
152. Stream Crossing		1	\$ 6,500.00	\$ 6,500.00
153. CN Railroad Crossing	LS	1	\$ 10,000.00	\$ 10,000.00
154. Maintain City Water Supply	LS	1	\$ 10,000.00	\$ 10,000.00
Water System Upgrades Subtotal:			\$	1,402,248.00

Sanitary Sewer System Upgrades				
Description	Unit	Quantity	Unit Price	Extension
200. 8 SDR 35 PVC Gravity Sewer	Ft	9515	\$ 50.00	\$ 475,750.00

City of Ironwood - Phase IV Utility Project
Bid Tabulation for Bids Received May 25, 2017

201. 10 SDR 35 PVC Gravity Sewer	Ft	526
202. 4' Diameter Standard Manhole & Cover (VF)	Ft	345.3
203. Connect to Existing Sewer	Ea	8
204. 6 SDR 35 PVC Sewer Lateral	Ft	3902
205. Connect to Existing Sewer Lateral	Ea	84
206. 6 x 8 Sanitary Sewer Wye	Ea	86
207. Sanitary Sewer Lateral Cleanout	Ea	23
208. Cap Sewer Main - 8-Inch	Ea	2
209. Rock Excavation	Cyd	630
210. Special Backfill	Cyd	500
211. Stone Refill (MDOT 6A)	Cyd	500
212. Utility Exploration	Ea	35
213. Insulation	Sft	320
214. Culvert, HDPE, 24-Inch	Ft	100
215. Culvert, HDPE, 30-Inch	Ft	220
216. Culvert End Section, 24-Inch	Ea	7
217. Culvert End Section, 30-Inch	Ea	5
218. 12-Inch HDPE Storm Sewer	Ft	1021
219. 15-Inch HDPE Storm Sewer	Ft	861
220. 18-Inch HDPE Storm Sewer	Ft	976
221. 24-Inch HDPE Storm Sewer	Ft	465
222. 30-Inch HDPE Storm Sewer	Ft	764
223. Storm Sewer Catch Basin, 2' Diameter	Ea	16
224. Storm Sewer Catch Basin, 4' & 5' Diameter	Ea	17
225. Connect to Existing Storm Sewer	Ea	1
226. Ditch Cleanout	Ft	920
227. Riprap, Heavy	Syd	160
228. Video Taping Sewer & Culvert Pipe	Ft	14448
229. Sewer Bulkhead - Through 18	Ea	105
230. Sewer Bulkhead - Over 18	Ea	25
231. Non-Structural Flowable Fill	Cyd	16

Sanitary Sewer System Upgrades Subtotal:

\$ 39.00	\$ 20,514.00
\$ 300.00	\$ 103,590.00
\$ 800.00	\$ 6,400.00
\$ 30.00	\$ 117,060.00
\$ 100.00	\$ 8,400.00
\$ 100.00	\$ 8,600.00
\$ 500.00	\$ 11,500.00
\$ 200.00	\$ 400.00
\$ 1.00	\$ 630.00
\$ 10.00	\$ 5,000.00
\$ 25.00	\$ 12,500.00
\$ 250.00	\$ 8,750.00
\$ 1.00	\$ 320.00
\$ 40.00	\$ 4,000.00
\$ 45.00	\$ 9,900.00
\$ 250.00	\$ 1,750.00
\$ 300.00	\$ 1,500.00
\$ 25.00	\$ 25,525.00
\$ 30.00	\$ 25,830.00
\$ 31.00	\$ 30,256.00
\$ 40.00	\$ 18,600.00
\$ 42.00	\$ 32,088.00
\$ 1,500.00	\$ 24,000.00
\$ 2,300.00	\$ 39,100.00
\$ 700.00	\$ 700.00
\$ 4.00	\$ 3,680.00
\$ 50.00	\$ 8,000.00
\$ 1.50	\$ 21,672.00
\$ 250.00	\$ 26,250.00
\$ 300.00	\$ 7,500.00
\$ 200.00	\$ 3,200.00
\$	1,062,965.00

Water System Restoration

Description	Unit	Quantity
300. Slope Restoration, Type A	Syd	25325
301. Slope Restoration, Type B	Syd	1073
302. Wetland Restoration	Syd	5210
303. Sidewalk, Concrete, 4-Inch	Sft	5258
304. Sidewalk, Removal	Sft	428
305. Driveway, Non-Reinf. Concrete, 6-Inch	Syd	237
306. Detectable Warning Surface	Ft	10
307. Curb & Gutter, Conc, Det C-2	Ft	4303
308. Curb Sloped, HMA	Ft	188
309. Underdrain, Subgrade, 4-Inch	Ft	1125
310. Underdrain, Subgrade, Open-Graded, 4-Inch	Ft	2175
311. HMA (4E1, Leveling, 220#/SYD)	Syd	15013
312. HMA (5E1, Surface, 165#/SYD)	Syd	15013
313. HMA (5E1, Driveway, 275#/SYD)	Syd	972
314. Subgrade Undercutting, Type III	Cyd	1000
315. Earth Excavation	Cyd	5030
316. Aggregate Base, 8-Inch	Syd	16098
317. Aggregate Base, 4-Inch	Syd	958
318. Aggregate Surface, 8-Inch	Syd	4897
319. Shoulder, Class II, 4-Inch	Syd	610
320. Traffic Maintenance	LS	0.5
321. Pavt. Mrkg, Waterborne, 4-Inch, White	Ft	55
322. Pavt. Mrkg, Waterborne, 6-Inch, White	Ft	1153
323. Pavt. Mrkg, Waterborne, 4-Inch, Yellow	Ft	1137
324. Pavt. Mrkg, Waterborne, 18-Inch, Stop Bar	Ft	24
325. Pavt. Mrkg, Waterborne, Only	Ea	2
326. Pavt. Mrkg, Waterborne, Lt Turn Arrow Sym	Ea	1

Unit Price	Extension
\$ 0.50	\$ 12,662.50
\$ 1.00	\$ 1,073.00
\$ 1.00	\$ 5,210.00
\$ 4.00	\$ 21,032.00
\$ 5.00	\$ 2,140.00
\$ 50.00	\$ 11,850.00
\$ 100.00	\$ 1,000.00
\$ 14.00	\$ 60,242.00
\$ 8.00	\$ 1,504.00
\$ 3.00	\$ 3,375.00
\$ 4.00	\$ 8,700.00
\$ 7.00	\$ 105,091.00
\$ 4.50	\$ 67,558.50
\$ 15.00	\$ 14,580.00
\$ 25.00	\$ 25,000.00
\$ 5.50	\$ 27,665.00
\$ 5.75	\$ 92,563.50
\$ 4.00	\$ 3,832.00
\$ 5.00	\$ 24,485.00
\$ 4.00	\$ 2,440.00
\$ 10,000.00	\$ 5,000.00
\$ 1.00	\$ 55.00
\$ 1.00	\$ 1,153.00
\$ 1.00	\$ 1,137.00
\$ 10.00	\$ 240.00
\$ 150.00	\$ 300.00
\$ 200.00	\$ 200.00

**City of Ironwood - Phase IV Utility Project
Bid Tabulation for Bids Received May 25, 2017**

327. Pavt. Mrkg, Waterborne, Rt Turn Arrow Sym	Ea	1
328. Erosion Control, Check Dam, Stone	Ea	8
329. Erosion Control, Sediment Basin	Ea	2
330. Erosion Control, Silt Fence	Ft	530
331. Erosion Control, Inlet Protection, Fabric Drop	Ea	0
332. Tree Removal, 12 and Bigger	Ea	10
333. Fence, Moving	Ft	30
334. Underdrain Outlet, 4-Inch	Ea	10
335. Post, Mailbox	Ea	4
336. Watering	Unit	750
337. Removing Out of Service Pipeline	Ft	926
338. Curb and Gutter, Rem	Ft	3960

Water Restoration Subtotal:

\$	200.00	\$	200.00
\$	75.00	\$	600.00
\$	100.00	\$	200.00
\$	1.00	\$	530.00
\$	25.00	\$	-
\$	300.00	\$	3,000.00
\$	35.00	\$	1,050.00
\$	10.00	\$	100.00
\$	400.00	\$	1,600.00
\$	1.00	\$	750.00
\$	3.00	\$	2,778.00
\$	6.00	\$	23,760.00
\$			534,656.50

Sanitary Sewer System Restoration

Description	Unit	Quantity
300. Slope Restoration, Type A	Syd	17661
301. Slope Restoration, Type B	Syd	373
302. Wetland Restoration	Syd	0
303. Sidewalk, Concrete, 4-Inch	Sft	1752
304. Sidewalk, Removal	Sft	142
305. Driveway, Non-Reinf. Concrete, 6-Inch	Syd	78
306. Detectable Warning Surface	Ft	10
307. Curb & Gutter, Conc, Det C-2	Ft	1434
308. Curb Sloped, HMA	Ft	62
309. Underdrain, Subgrade, 4-Inch	Ft	375
310. Underdrain, Subgrade, Open-Graded, 4-Inch	Ft	725
311. HMA (4E1, Leveling, 220#/SYD)	Syd	4611
312. HMA (5E1, Surface, 165#/SYD)	Syd	4611
313. HMA (5E1, Driveway, 275#/SYD)	Syd	324
314. Subgrade Undercutting, Type III	Cyd	1000
315. Earth Excavation	Cyd	5030
316. Aggregate Base, 8-Inch	Syd	5366
317. Aggregate Base, 4-Inch	Syd	320
318. Aggregate Surface, 8-Inch	Syd	1632
319. Shoulder, Class II, 4-Inch	Syd	203
320. Traffic Maintenance	LS	0.5
321. Pavt. Mrkg, Waterborne, 4-Inch, White	Ft	55
322. Pavt. Mrkg, Waterborne, 6-Inch, White	Ft	1152
323. Pavt. Mrkg, Waterborne, 4-Inch, Yellow	Ft	1138
324. Pavt. Mrkg, Waterborne, 18-Inch, Stop Bar	Ft	0
325. Pavt. Mrkg, Waterborne, Only	Ea	0
326. Pavt. Mrkg, Waterborne, Lt Turn Arrow Sym	Ea	0
327. Pavt. Mrkg, Waterborne, Rt Turn Arrow Sym	Ea	0
328. Erosion Control, Check Dam, Stone	Ea	7
329. Erosion Control, Sediment Basin	Ea	3
330. Erosion Control, Silt Fence	Ft	170
331. Erosion Control, Inlet Protection, Fabric Drop	Ea	55
332. Tree Removal, 12 and Bigger	Ea	2
333. Fence, Moving	Ft	0
334. Underdrain Outlet, 4-Inch	Ea	10
335. Post, Mailbox	Ea	2
336. Watering	Unit	250
337. Removing Out of Service Pipeline	Ft	324
338. Curb and Gutter, Rem	Ft	1320

Sanitary Sewer System Restoration Subtotal:

\$	0.50	\$	8,830.50
\$	1.00	\$	373.00
\$	1.00	\$	-
\$	4.00	\$	7,008.00
\$	5.00	\$	710.00
\$	50.00	\$	3,900.00
\$	100.00	\$	1,000.00
\$	14.00	\$	20,076.00
\$	8.00	\$	496.00
\$	3.00	\$	1,125.00
\$	4.00	\$	2,900.00
\$	7.00	\$	32,277.00
\$	4.50	\$	20,749.50
\$	15.00	\$	4,860.00
\$	25.00	\$	25,000.00
\$	5.50	\$	27,665.00
\$	5.75	\$	30,854.50
\$	4.00	\$	1,280.00
\$	5.00	\$	8,160.00
\$	4.00	\$	812.00
\$	10,000.00	\$	5,000.00
\$	1.00	\$	55.00
\$	1.00	\$	1,152.00
\$	1.00	\$	1,138.00
\$	10.00	\$	-
\$	150.00	\$	-
\$	200.00	\$	-
\$	200.00	\$	-
\$	75.00	\$	525.00
\$	100.00	\$	300.00
\$	1.00	\$	170.00
\$	25.00	\$	1,375.00
\$	300.00	\$	600.00
\$	35.00	\$	-
\$	10.00	\$	100.00
\$	400.00	\$	800.00
\$	1.00	\$	250.00
\$	3.00	\$	972.00
\$	6.00	\$	7,920.00
\$			218,433.50

Water System Upgrades Subtotal:
Sanitary Sewer System Upgrades Subtotal:
Total Base Bid:

\$	1,936,904.50
\$	1,281,398.50
\$	3,218,303.00

Date of Issuance: June 12, 2017

Effective Date: June 12, 2017

Owner: City of Ironwood

Owner's Contract No.: N/A

Contractor: Ruotsala Construction, LLC

Contractor's Project No.: N/A

Engineer: Coleman Engineering Company

Engineer's Project No.: 16385/86

Project: Phase IV Utility Project

Contract Name: N/A

The Contract is modified as follows upon execution of this Change Order:

Description:

Add water and sanitary sewer utility improvements on Francis Street from Lawrence Street to Lowell Street.

This Change Order has associated Engineering Amendments.

Attachments:

Schedule of Pay Items

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES
Original Contract Price: \$ <u>3,218,303.00</u>	Original Contract Times: Substantial Completion: <u>155</u> Ready for Final Payment: <u>155</u> days or dates
[Increase] [Decrease] from previously approved Change Orders No. <u>N/A</u> to No. <u>N/A</u> : \$ <u>N/A</u>	[Increase] [Decrease] from previously approved Change Orders No. <u>N/A</u> to No. <u>N/A</u> : Substantial Completion: <u>N/A</u> Ready for Final Payment: <u>N/A</u> days
Contract Price prior to this Change Order: \$ <u>3,218,303.00</u>	Contract Times prior to this Change Order: Substantial Completion: <u>155</u> Ready for Final Payment: <u>155</u> days or dates
[Increase] [Decrease] of this Change Order: \$ <u>160,676.50</u>	[Increase] [Decrease] of this Change Order: Substantial Completion: <u>35</u> Ready for Final Payment: <u>35</u> days or dates
Contract Price incorporating this Change Order: \$ <u>3,378,979.50</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>190</u> Ready for Final Payment: <u>190</u> days or dates

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____ Engineer (if required)	By: _____ Owner (Authorized Signature)	By: _____ Contractor (Authorized Signature)
Title: <u>Project Engineer</u>	Title: <u>Mayor</u>	Title: <u>President</u>
Date: _____	Date: _____	Date: _____

Approved by Funding Agency (if applicable)

By: _____ Date: _____
Title: _____

Schedule of Pay Items

Water System Upgrades			Original Contract		Change Order No. 1		Revised Contract	
Description	Unit	Unit Price	Quantity	Extension	Quantity	Extension	Quantity	Extension
101. 6-Inch Watermain	Ft	\$ 37.00	15	\$ 555.00		\$ -	15	\$ 555.00
102. 8-Inch Watermain	Ft	\$ 40.00	6265	\$ 250,600.00	575	\$ 23,000.00	6840	\$ 273,600.00
103. 12-Inch Watermain	Ft	\$ 55.00	228	\$ 12,540.00		\$ -	228	\$ 12,540.00
104. 16-Inch Watermain	Ft	\$ 100.00	4961	\$ 496,100.00		\$ -	4961	\$ 496,100.00
105. 16-Inch Watermain - Special	Ft	\$ 70.00	540	\$ 37,800.00		\$ -	540	\$ 37,800.00
106. 8-Inch Gate Valve & Box	Ea	\$ 1,600.00	19	\$ 30,400.00	1	\$ 1,600.00	20	\$ 32,000.00
107. 12-Inch Gate Valve & Box	Ea	\$ 2,800.00	11	\$ 30,800.00		\$ -	11	\$ 30,800.00
108. 16-Inch Butterfly Valve & Box	Ea	\$ 6,500.00	7	\$ 45,500.00		\$ -	7	\$ 45,500.00
109. Gate Box, Reconstruct, Case 1	Ea	\$ 1,000.00	5	\$ 5,000.00		\$ -	5	\$ 5,000.00
110. 8 x 8 x 6 Tee	Ea	\$ 400.00	18	\$ 7,200.00	1	\$ 400.00	19	\$ 7,600.00
111. 8 x 8 x 8 Tee	Ea	\$ 300.00	6	\$ 1,800.00		\$ -	6	\$ 1,800.00
112. 12 x 12 x 6 Tee	Ea	\$ 425.00	4	\$ 1,700.00		\$ -	4	\$ 1,700.00
113. 12 x 12 x 8 Tee	Ea	\$ 450.00	1	\$ 450.00		\$ -	1	\$ 450.00
114. 12 x 12 x 12 Tee	Ea	\$ 525.00	3	\$ 1,575.00		\$ -	3	\$ 1,575.00
115. 16 x 16 x 6 Tee	Ea	\$ 650.00	1	\$ 650.00		\$ -	1	\$ 650.00
116. 16 x 16 x 12 Tee	Ea	\$ 1,000.00	1	\$ 1,000.00		\$ -	1	\$ 1,000.00
117. 16 x 16 x 16 Tee	Ea	\$ 1,100.00	3	\$ 3,300.00		\$ -	3	\$ 3,300.00
118. 12 x 8 x 12 x 8 Cross	Ea	\$ 525.00	2	\$ 1,050.00		\$ -	2	\$ 1,050.00
119. 8 x 6 Reducer	Ea	\$ 200.00	3	\$ 600.00		\$ -	3	\$ 600.00
120. 12 x 8 Reducer	Ea	\$ 300.00	2	\$ 600.00		\$ -	2	\$ 600.00
121. 8-Inch Cap/Plug	Ea	\$ 150.00	3	\$ 450.00		\$ -	3	\$ 450.00
122. 8-Inch 45° Bend	Ea	\$ 250.00	6	\$ 1,500.00	2	\$ 500.00	8	\$ 2,000.00
123. 8-Inch 11.25° Bend	Ea	\$ 250.00	5	\$ 1,250.00		\$ -	5	\$ 1,250.00
124. 12-Inch 45° Bend	Ea	\$ 375.00	3	\$ 1,125.00		\$ -	3	\$ 1,125.00
125. 12-Inch 11.25° Bend	Ea	\$ 300.00	1	\$ 300.00		\$ -	1	\$ 300.00
126. 16-Inch 45° Bend	Ea	\$ 700.00	2	\$ 1,400.00		\$ -	2	\$ 1,400.00
127. 16-Inch 11.25° Bend	Ea	\$ 700.00	1	\$ 700.00		\$ -	1	\$ 700.00
128. Steel Casing Pipe, 30-Inch, Jacked-In-Place	Ft	\$ 200.00	90	\$ 18,000.00		\$ -	90	\$ 18,000.00
129. Line Stops - 6-Inch	Ea	\$ 5,000.00	1	\$ 5,000.00		\$ -	1	\$ 5,000.00
130. Line Stops - 16-Inch	Ea	\$ 15,000.00	3	\$ 45,000.00		\$ -	3	\$ 45,000.00
131. Air Relief Vault	Ea	\$ 5,000.00	3	\$ 15,000.00		\$ -	3	\$ 15,000.00
132. Marker Post	Ea	\$ 50.00	39	\$ 1,950.00		\$ -	39	\$ 1,950.00
133. 1-Inch Corporation Stop	Ea	\$ 125.00	74	\$ 9,250.00	14	\$ 1,750.00	88	\$ 11,000.00
134. 1-Inch Curb Stop & Box	Ea	\$ 200.00	69	\$ 13,800.00	14	\$ 2,800.00	83	\$ 16,600.00
135. 1-Inch Type K Copper Service	Ft	\$ 25.00	1703	\$ 42,575.00		\$ -	1703	\$ 42,575.00
136. 6 x 12 Grade Offset Adapter	Ea	\$ 200.00	10	\$ 2,000.00	1	\$ 200.00	11	\$ 2,200.00
137. 6-Inch Ductile Iron Hydrant Lead	Ft	\$ 35.00	248	\$ 8,680.00	380	\$ 13,300.00	628	\$ 21,980.00
138. Fire Hydrant Assembly	Ea	\$ 4,500.00	20	\$ 90,000.00	1	\$ 4,500.00	21	\$ 94,500.00
139. Fire Hydrant Assembly - Special	Ea	\$ 5,500.00	1	\$ 5,500.00		\$ -	1	\$ 5,500.00
140. Salvage Existing Hydrant	Ea	\$ 200.00	10	\$ 2,000.00		\$ -	10	\$ 2,000.00
141. Connect to Existing 6 Watermain	Ea	\$ 1,000.00	3	\$ 3,000.00		\$ -	3	\$ 3,000.00
142. Connect to Existing 8 Watermain	Ea	\$ 1,100.00	3	\$ 3,300.00	2	\$ 2,200.00	5	\$ 5,500.00
143. Connect to Existing 12 Watermain	Ea	\$ 1,200.00	14	\$ 16,800.00		\$ -	14	\$ 16,800.00
144. Connect to Existing 16 Watermain	Ea	\$ 2,000.00	7	\$ 14,000.00		\$ -	7	\$ 14,000.00
145. Remove Existing 16 Cap	Ea	\$ 100.00	1	\$ 100.00		\$ -	1	\$ 100.00
146. Rock Excavation	Cyd	\$ 35.00	970	\$ 33,950.00		\$ -	970	\$ 33,950.00
147. Special Backfill	Cyd	\$ 10.00	500	\$ 5,000.00		\$ -	500	\$ 5,000.00
148. Stone Refill (MDOT 6A)	Cyd	\$ 25.00	500	\$ 12,500.00		\$ -	500	\$ 12,500.00
149. Utility Exploration	Ea	\$ 250.00	45	\$ 11,250.00		\$ -	45	\$ 11,250.00
150. Insulation	Sft	\$ 1.00	1148	\$ 1,148.00		\$ -	1148	\$ 1,148.00
151. TransCanada/Great Lakes Gas Pipeline Crossing	LS	\$ 80,000.00	1	\$ 80,000.00		\$ -	1	\$ 80,000.00
152. Stream Crossing		\$ 6,500.00	1	\$ 6,500.00		\$ -	1	\$ 6,500.00
153. CN Railroad Crossing	LS	\$ 10,000.00	1	\$ 10,000.00		\$ -	1	\$ 10,000.00
154. Maintain City Water Supply	LS	\$ 10,000.00	1	\$ 10,000.00		\$ -	1	\$ 10,000.00
Water System Upgrades Subtotal:			\$ 1,402,248.00		\$ 50,250.00		\$ 1,452,498.00	

Sanitary Sewer System Upgrades			Original Contract		Change Order No. 1		Revised Contract	
Description	Unit	Unit Price	Quantity	Extension	Quantity	Extension	Quantity	Extension
200. 8 SDR 35 PVC Gravity Sewer	Ft	\$ 50.00	9515	\$ 475,750.00	605	\$ 30,250.00	10120	\$ 506,000.00
201. 10 SDR 35 PVC Gravity Sewer	Ft	\$ 39.00	526	\$ 20,514.00		\$ -	526	\$ 20,514.00
202. 4' Diameter Standard Manhole & Cover (VF)	Ft	\$ 300.00	345.3	\$ 103,590.00	21	\$ 6,300.00	366.3	\$ 109,890.00
203. Connect to Existing Sewer	Ea	\$ 800.00	8	\$ 6,400.00	2	\$ 1,600.00	10	\$ 8,000.00
204. 6 SDR 35 PVC Sewer Lateral	Ft	\$ 30.00	3902	\$ 117,060.00	325	\$ 9,750.00	4227	\$ 126,810.00
205. Connect to Existing Sewer Lateral	Ea	\$ 100.00	84	\$ 8,400.00	13	\$ 1,300.00	97	\$ 9,700.00
206. 6 x 8 Sanitary Sewer Wye	Ea	\$ 100.00	86	\$ 8,600.00	13	\$ 1,300.00	99	\$ 9,900.00

Schedule of Pay Items

207. Sanitary Sewer Lateral Cleanout	Ea	\$ 500.00	23	\$ 11,500.00		\$ -	23	\$ 11,500.00
208. Cap Sewer Main - 8-Inch	Ea	\$ 200.00	2	\$ 400.00		\$ -	2	\$ 400.00
209. Rock Excavation	Cyd	\$ 1.00	630	\$ 630.00		\$ -	630	\$ 630.00
210. Special Backfill	Cyd	\$ 10.00	500	\$ 5,000.00		\$ -	500	\$ 5,000.00
211. Stone Refill (MDOT 6A)	Cyd	\$ 25.00	500	\$ 12,500.00		\$ -	500	\$ 12,500.00
212. Utility Exploration	Ea	\$ 250.00	35	\$ 8,750.00		\$ -	35	\$ 8,750.00
213. Insulation	Sft	\$ 1.00	320	\$ 320.00		\$ -	320	\$ 320.00
214. Culvert, HDPE, 24-Inch	Ft	\$ 40.00	100	\$ 4,000.00		\$ -	100	\$ 4,000.00
215. Culvert, HDPE, 30-Inch	Ft	\$ 45.00	220	\$ 9,900.00		\$ -	220	\$ 9,900.00
216. Culvert End Section, 24-Inch	Ea	\$ 250.00	7	\$ 1,750.00		\$ -	7	\$ 1,750.00
217. Culvert End Section, 30-Inch	Ea	\$ 300.00	5	\$ 1,500.00		\$ -	5	\$ 1,500.00
218. 12-Inch HDPE Storm Sewer	Ft	\$ 25.00	1021	\$ 25,525.00		\$ -	1021	\$ 25,525.00
219. 15-Inch HDPE Storm Sewer	Ft	\$ 30.00	861	\$ 25,830.00		\$ -	861	\$ 25,830.00
220. 18-Inch HDPE Storm Sewer	Ft	\$ 31.00	976	\$ 30,256.00		\$ -	976	\$ 30,256.00
221. 24-Inch HDPE Storm Sewer	Ft	\$ 40.00	465	\$ 18,600.00		\$ -	465	\$ 18,600.00
222. 30-Inch HDPE Storm Sewer	Ft	\$ 42.00	764	\$ 32,088.00		\$ -	764	\$ 32,088.00
223. Storm Sewer Catch Basin, 2' Diameter	Ea	\$ 1,500.00	16	\$ 24,000.00		\$ -	16	\$ 24,000.00
224. Storm Sewer Catch Basin, 4' & 5' Diameter	Ea	\$ 2,300.00	17	\$ 39,100.00		\$ -	17	\$ 39,100.00
225. Connect to Existing Storm Sewer	Ea	\$ 700.00	1	\$ 700.00		\$ -	1	\$ 700.00
226. Ditch Cleanout	Ft	\$ 4.00	920	\$ 3,680.00		\$ -	920	\$ 3,680.00
227. Riprap, Heavy	Syd	\$ 50.00	160	\$ 8,000.00		\$ -	160	\$ 8,000.00
228. Video Taping Sewer & Culvert Pipe	Ft	\$ 1.50	14448	\$ 21,672.00	605	\$ 907.50	15053	\$ 22,579.50
229. Sewer Bulkhead - Through 18	Ea	\$ 250.00	105	\$ 26,250.00	2	\$ 500.00	107	\$ 26,750.00
230. Sewer Bulkhead - Over 18	Ea	\$ 300.00	25	\$ 7,500.00		\$ -	25	\$ 7,500.00
231. Non-Structural Flowable Fill	Cyd	\$ 200.00	16	\$ 3,200.00		\$ -	16	\$ 3,200.00
Sanitary Sewer System Upgrades Subtotal:				\$ 1,062,965.00	\$ 51,907.50		\$ 1,114,872.50	

Water System Restoration			Original Contract		Change Order No. 1		Revised Contract	
Description	Unit	Unit Price	Quantity	Extension	Quantity	Extension	Quantity	Extension
300. Slope Restoration, Type A	Syd	\$ 0.50	25325	\$ 12,662.50	576	\$ 288.00	25901	\$ 12,950.50
301. Slope Restoration, Type B	Syd	\$ 1.00	1073	\$ 1,073.00	0	\$ -	1073	\$ 1,073.00
302. Wetland Restoration	Syd	\$ 1.00	5210	\$ 5,210.00	0	\$ -	5210	\$ 5,210.00
303. Sidewalk, Concrete, 4-Inch	Sft	\$ 4.00	5258	\$ 21,032.00	902	\$ 3,608.00	6160	\$ 24,640.00
304. Sidewalk, Removal	Sft	\$ 5.00	428	\$ 2,140.00	0	\$ -	428	\$ 2,140.00
305. Driveway, Non-Reinf. Concrete, 6-Inch	Syd	\$ 50.00	237	\$ 11,850.00	25	\$ 1,250.00	262	\$ 13,100.00
306. Detectable Warning Surface	Ft	\$ 100.00	10	\$ 1,000.00	0	\$ -	10	\$ 1,000.00
307. Curb & Gutter, Conc, Det C-2	Ft	\$ 14.00	4303	\$ 60,242.00	894	\$ 12,516.00	5197	\$ 72,758.00
308. Curb Sloped, HMA	Ft	\$ 8.00	188	\$ 1,504.00	0	\$ -	188	\$ 1,504.00
309. Underdrain, Subgrade, 4-Inch	Ft	\$ 3.00	1125	\$ 3,375.00	0	\$ -	1125	\$ 3,375.00
310. Underdrain, Subgrade, Open-Graded, 4-Inch	Ft	\$ 4.00	2175	\$ 8,700.00	0	\$ -	2175	\$ 8,700.00
311. HMA (4E1, Leveling, 220#/SYD)	Syd	\$ 7.00	15013	\$ 105,091.00	1282	\$ 8,974.00	16295	\$ 114,065.00
312. HMA (5E1, Surface, 165#/SYD)	Syd	\$ 4.50	15013	\$ 67,558.50	1282	\$ 5,769.00	16295	\$ 73,327.50
313. HMA (5E1, Driveway, 275#/SYD)	Syd	\$ 15.00	972	\$ 14,580.00	66	\$ 990.00	1038	\$ 15,570.00
314. Subgrade Undercutting, Type III	Cyd	\$ 25.00	1000	\$ 25,000.00	0	\$ -	1000	\$ 25,000.00
315. Earth Excavation	Cyd	\$ 5.50	5030	\$ 27,665.00	49	\$ 269.50	5079	\$ 27,934.50
316. Aggregate Base, 8-Inch	Syd	\$ 5.75	16098	\$ 92,563.50	1348	\$ 7,751.00	17446	\$ 100,314.50
317. Aggregate Base, 4-Inch	Syd	\$ 4.00	958	\$ 3,832.00	201	\$ 804.00	1159	\$ 4,636.00
318. Aggregate Surface, 8-Inch	Syd	\$ 5.00	4897	\$ 24,485.00	0	\$ -	4897	\$ 24,485.00
319. Shoulder, Class II, 4-Inch	Syd	\$ 4.00	610	\$ 2,440.00	0	\$ -	610	\$ 2,440.00
320. Traffic Maintenance	LS	\$ 10,000.00	0.5	\$ 5,000.00	0	\$ -	0.5	\$ 5,000.00
321. Pavt. Mrkg, Waterborne, 4-Inch, White	Ft	\$ 1.00	55	\$ 55.00	0	\$ -	55	\$ 55.00
322. Pavt. Mrkg, Waterborne, 6-Inch, White	Ft	\$ 1.00	1153	\$ 1,153.00	0	\$ -	1153	\$ 1,153.00
323. Pavt. Mrkg, Waterborne, 4-Inch, Yellow	Ft	\$ 1.00	1137	\$ 1,137.00	0	\$ -	1137	\$ 1,137.00
324. Pavt. Mrkg, Waterborne, 18-Inch, Stop Bar	Ft	\$ 10.00	24	\$ 240.00	0	\$ -	24	\$ 240.00
325. Pavt. Mrkg, Waterborne, Only	Ea	\$ 150.00	2	\$ 300.00	0	\$ -	2	\$ 300.00
326. Pavt. Mrkg, Waterborne, Lt Turn Arrow Sym	Ea	\$ 200.00	1	\$ 200.00	0	\$ -	1	\$ 200.00
327. Pavt. Mrkg, Waterborne, Rt Turn Arrow Sym	Ea	\$ 200.00	1	\$ 200.00	0	\$ -	1	\$ 200.00
328. Erosion Control, Check Dam, Stone	Ea	\$ 75.00	8	\$ 600.00	0	\$ -	8	\$ 600.00
329. Erosion Control, Sediment Basin	Ea	\$ 100.00	2	\$ 200.00	0	\$ -	2	\$ 200.00
330. Erosion Control, Silt Fence	Ft	\$ 1.00	530	\$ 530.00	0	\$ -	530	\$ 530.00
331. Erosion Control, Inlet Protection, Fabric Drop	Ea	\$ 25.00	0	\$ -	3	\$ 75.00	3	\$ 75.00
332. Tree Removal, 12 and Bigger	Ea	\$ 300.00	10	\$ 3,000.00	0	\$ -	10	\$ 3,000.00
333. Fence, Moving	Ft	\$ 35.00	30	\$ 1,050.00	0	\$ -	30	\$ 1,050.00
334. Underdrain Outlet, 4-Inch	Ea	\$ 10.00	10	\$ 100.00	0	\$ -	10	\$ 100.00
335. Post, Mailbox	Ea	\$ 400.00	4	\$ 1,600.00	0	\$ -	4	\$ 1,600.00
336. Watering	Unit	\$ 1.00	750	\$ 750.00	0	\$ -	750	\$ 750.00
337. Removing Out of Service Pipeline	Ft	\$ 3.00	926	\$ 2,778.00	115	\$ 345.00	1041	\$ 3,123.00

Schedule of Pay Items

338. Curb and Gutter, Rem	Ft	\$ 6.00	3960	\$ 23,760.00	891	\$ 5,346.00	4851	\$ 29,106.00
Water System Restoration Subtotal:			\$ 534,656.50		\$ 47,985.50		\$ 582,642.00	

Sanitary Sewer System Restoration			Original Contract		Change Order No. 1		Revised Contract	
Description	Unit	Unit Price	Quantity	Extension	Quantity	Extension	Quantity	Extension
300. Slope Restoration, Type A	Syd	\$ 0.50	17661	\$ 8,830.50	124	\$ 62.00	17785	\$ 8,892.50
301. Slope Restoration, Type B	Syd	\$ 1.00	373	\$ 373.00	0	\$ -	373	\$ 373.00
302. Wetland Restoration	Syd	\$ 1.00	0	\$ -	0	\$ -	0	\$ -
303. Sidewalk, Concrete, 4-Inch	Sft	\$ 4.00	1752	\$ 7,008.00	198	\$ 792.00	1950	\$ 7,800.00
304. Sidewalk, Removal	Sft	\$ 5.00	142	\$ 710.00	0	\$ -	142	\$ 710.00
305. Driveway, Non-Reinf. Concrete, 6-Inch	Syd	\$ 50.00	78	\$ 3,900.00	5	\$ 250.00	83	\$ 4,150.00
306. Detectable Warning Surface	Ft	\$ 100.00	10	\$ 1,000.00	0	\$ -	10	\$ 1,000.00
307. Curb & Gutter, Conc, Det C-2	Ft	\$ 14.00	1434	\$ 20,076.00	196	\$ 2,744.00	1630	\$ 22,820.00
308. Curb Sloped, HMA	Ft	\$ 8.00	62	\$ 496.00	0	\$ -	62	\$ 496.00
309. Underdrain, Subgrade, 4-Inch	Ft	\$ 3.00	375	\$ 1,125.00	0	\$ -	375	\$ 1,125.00
310. Underdrain, Subgrade, Open-Graded, 4-Inch	Ft	\$ 4.00	725	\$ 2,900.00	0	\$ -	725	\$ 2,900.00
311. HMA (4E1, Leveling, 220#/SYD)	Syd	\$ 7.00	4611	\$ 32,277.00	282	\$ 1,974.00	4893	\$ 34,251.00
312. HMA (5E1, Surface, 165#/SYD)	Syd	\$ 4.50	4611	\$ 20,749.50	282	\$ 1,269.00	4893	\$ 22,018.50
313. HMA (5E1, Driveway, 275#/SYD)	Syd	\$ 15.00	324	\$ 4,860.00	14	\$ 210.00	338	\$ 5,070.00
314. Subgrade Undercutting, Type III	Cyd	\$ 25.00	1000	\$ 25,000.00	0	\$ -	1000	\$ 25,000.00
315. Earth Excavation	Cyd	\$ 5.50	5030	\$ 27,665.00	11	\$ 60.50	5041	\$ 27,725.50
316. Aggregate Base, 8-Inch	Syd	\$ 5.75	5366	\$ 30,854.50	296	\$ 1,702.00	5662	\$ 32,556.50
317. Aggregate Base, 4-Inch	Syd	\$ 4.00	320	\$ 1,280.00	44	\$ 176.00	364	\$ 1,456.00
318. Aggregate Surface, 8-Inch	Syd	\$ 5.00	1632	\$ 8,160.00	0	\$ -	1632	\$ 8,160.00
319. Shoulder, Class II, 4-Inch	Syd	\$ 4.00	203	\$ 812.00	0	\$ -	203	\$ 812.00
320. Traffic Maintenance	LS	\$ 10,000.00	0.5	\$ 5,000.00	0	\$ -	0.5	\$ 5,000.00
321. Pavt. Mrkg, Waterborne, 4-Inch, White	Ft	\$ 1.00	55	\$ 55.00	0	\$ -	55	\$ 55.00
322. Pavt. Mrkg, Waterborne, 6-Inch, White	Ft	\$ 1.00	1152	\$ 1,152.00	0	\$ -	1152	\$ 1,152.00
323. Pavt. Mrkg, Waterborne, 4-Inch, Yellow	Ft	\$ 1.00	1138	\$ 1,138.00	0	\$ -	1138	\$ 1,138.00
324. Pavt. Mrkg, Waterborne, 18-Inch, Stop Bar	Ft	\$ 10.00	0	\$ -	0	\$ -	0	\$ -
325. Pavt. Mrkg, Waterborne, Only	Ea	\$ 150.00	0	\$ -	0	\$ -	0	\$ -
326. Pavt. Mrkg, Waterborne, Lt Turn Arrow Sym	Ea	\$ 200.00	0	\$ -	0	\$ -	0	\$ -
327. Pavt. Mrkg, Waterborne, Rt Turn Arrow Sym	Ea	\$ 200.00	0	\$ -	0	\$ -	0	\$ -
328. Erosion Control, Check Dam, Stone	Ea	\$ 75.00	7	\$ 525.00	0	\$ -	7	\$ 525.00
329. Erosion Control, Sediment Basin	Ea	\$ 100.00	3	\$ 300.00	0	\$ -	3	\$ 300.00
330. Erosion Control, Silt Fence	Ft	\$ 1.00	170	\$ 170.00	0	\$ -	170	\$ 170.00
331. Erosion Control, Inlet Protection, Fabric Drop	Ea	\$ 25.00	55	\$ 1,375.00	1	\$ 25.00	56	\$ 1,400.00
332. Tree Removal, 12 and Bigger	Ea	\$ 300.00	2	\$ 600.00	0	\$ -	2	\$ 600.00
333. Fence, Moving	Ft	\$ 35.00	0	\$ -	0	\$ -	0	\$ -
334. Underdrain Outlet, 4-Inch	Ea	\$ 10.00	10	\$ 100.00	0	\$ -	10	\$ 100.00
335. Post, Mailbox	Ea	\$ 400.00	2	\$ 800.00	0	\$ -	2	\$ 800.00
336. Watering	Unit	\$ 1.00	250	\$ 250.00	0	\$ -	250	\$ 250.00
337. Removing Out of Service Pipeline	Ft	\$ 3.00	324	\$ 972.00	25	\$ 75.00	349	\$ 1,047.00
338. Curb and Gutter, Rem	Ft	\$ 6.00	1320	\$ 7,920.00	199	\$ 1,194.00	1519	\$ 9,114.00
Sanitary Sewer System Restoration Subtotal:			\$ 218,433.50		\$ 10,533.50		\$ 228,967.00	

Water System Upgrades Subtotal:	\$ 1,936,904.50	\$ 98,235.50	\$ 2,035,140.00
Sanitary Sewer System Upgrades Subtotal:	\$ 1,281,398.50	\$ 62,441.00	\$ 1,343,839.50
Contract Total:	\$ 3,218,303.00	\$ 160,676.50	\$ 3,378,979.50