



NICE Community Schools

Office of the Superintendent
300 Westwood Drive
Ishpeming, MI 49849

Phone: (906) 485-1021 - FAX: (906) 485-4095



October 24, 2022

To whom it concerns:

The NICE Community School District is soliciting bids to finance the purchase of two (2) new school buses from Nelson's Bus Service, Inc. with an Installment Purchase Agreement. The Solicitation for Bids is enclosed.

You may submit bids via fax to (906) 485-4095, provided they are received prior to the deadline. I encourage you to confirm the receipt of your faxed bid by calling the Business Office at (906) 485-1021.

Thank you in advance for your bid.

Respectfully,

Bryan DeAugustine, Superintendent
NICE Community School District

cc: File

SOLICITATION FOR BIDS

\$201,355

**NICE COMMUNITY SCHOOL DISTRICT
COUNTIES OF MARQUETTE AND BARAGA
STATE OF MICHIGAN**

**INSTALLMENT PURCHASE AGREEMENT
(GENERAL OBLIGATION - LIMITED TAX)**

Unconditional and firm bids for the above Installment Purchase Agreement will be received by NICE Community School District, Marquette and Baraga Counties, Michigan (the "Issuer") at the administrative offices of the Issuer, 300 S. Westwood Drive, Ishpeming, Michigan 49849-2922, on Tuesday, the 15th day of November, 2022, until 2:00 o'clock in the p.m., prevailing Eastern Time, at which time and place said bids will be publicly opened and read. Award of the bids will be considered by the Administration on that date.

Bids submitted must be firm and subject to acceptance by the Issuer through November 22, 2022. Further, the Issuer anticipates closing on the Installment Purchase Agreement in November or December 2022. By submitting a bid, a bidder certifies that it will hold the terms of its bid through December 30, 2022.

FAXED BIDS: Bidders may submit signed bids via facsimile transmission to the Issuer at (906) 485-4095, provided that the faxed bids are received prior to the time and date fixed for receipt of bids. Bidders submitting faxed bids bear the full risk of failed or untimely transmission of their bids. Bidders are encouraged to confirm the timely receipt of their full and complete bids by telephoning the Issuer at (906) 485-1021.

INSTALLMENT PURCHASE AGREEMENT DETAILS; INTEREST RATE; PAYING AGENT: The Installment Purchase Agreement will be in the form of an agreement prepared by Thrun Law Firm, P.C., and approved by the Issuer's Board of Education among Nelson's Bus Service, Inc., Whitewater, Wisconsin (the "Vendor"), the Issuer, and the Bank, dated the date of delivery. Annual installments of principal and interest for a period of five (5) years will be due beginning July 14, 2023, or such other date as approved by the Issuer that is not later than one (1) year after the date of delivery/funding, with annual interest thereon, based upon a 360-day year, 30-day month. The Installment Purchase Agreement shall bear interest at a rate not exceeding six percent (6%) per annum. If the Bank requires the use of a paying agent for this issue, the paying agent fees, if any, are to be paid by the Bank.

REDEMPTION: The Installment Purchase Agreement may be prepaid in whole or in part at any time without penalty, with funds withdrawn from the Issuer's cash reserves.

PURPOSE AND SECURITY: The Installment Purchase Agreement is issued for the purpose of purchasing two (2) school buses and related equipment. The Installment Purchase Agreement is issued under the provisions of Act 99, Public Acts of Michigan, 1933, as amended. The Issuer has pledged the limited tax full faith and credit of the Issuer for the payment of principal and interest on the Installment Purchase Agreement. The Issuer has further pledged to levy sufficient ad valorem taxes within its authorized millage annually, as a first budget obligation, on

all taxable property in the Issuer, said levy must be subject to constitutional and statutory tax rate limitations. The Issuer has reserved the right to issue additional installment purchase agreements of equal standing.

AWARD OF INSTALLMENT PURCHASE AGREEMENT: The Installment Purchase Agreement will be awarded to the Bank whose unconditional and firm bid produces the lowest dollar cost to the Issuer. Any and all fees or charges of the Bank must be incorporated into the interest rate. When the delivery date is established, the Bank will provide a payment schedule consistent with the above-referenced details.

TAX MATTERS: The Issuer has covenanted to comply with those requirements of the Internal Revenue Code of 1986, as amended (the "Code"), necessary to continue the exclusion of interest on the Installment Purchase Agreement from gross income for federal income tax purposes. The Issuer has designated the Installment Purchase Agreement as a "QUALIFIED TAX-EXEMPT OBLIGATION" within the meaning of the Code.

LEGAL OPINION: Bids shall be conditioned upon the unqualified approving opinion of Thrun Law Firm, P.C., East Lansing, Michigan, the original of which will be furnished without expense to the Bank upon delivery of the Installment Purchase Agreement.


CERTIFICATE REGARDING "ISSUE PRICE": The Bank will be required to furnish, prior to delivery of the Installment Purchase Agreement, a certificate in a form acceptable to Issuer's counsel as to the "issue price" of the Installment Purchase Agreement within the meaning of Section 1273 of the Code. By submitting a bid, the bidder represents to the Issuer that it intends to hold the Installment Purchase Agreement for its own account with no present intention to reoffer the Installment Purchase Agreement unless the bidder has notified Issuer's counsel, in writing, at least 72 hours before the bid deadline that the bidder intends to reoffer the Installment Purchase Agreement.

BIDDER CERTIFICATION - NOT "IRAN-LINKED BUSINESS": By submitting a bid, the bidder shall be deemed to have certified that it is not an "Iran-Linked Business" as defined in Act 517, Public Acts of Michigan, 2012; MCL 129.311, et seq.

CLOSING DOCUMENTS: Drafts of all closing documents, including the form of Installment Purchase Agreement and form of legal opinion, may be requested from Thrun Law Firm, P.C. Final closing documents will be in substantially the same form as the drafts provided. Closing documents will not be modified at the request of a bidder, regardless of whether the bidder's proposal is accepted.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES containing the bids should be plainly marked "Proposal for Installment Purchase Agreement for NICE Community School District".



Authorized Officer