



Legislation Details (With Text)

File #: 11-0893 **Version:** 1 **Name:** 8/15/11 - Ordinance Authorizing the Issuance and Sale of Water Supply System Revenue Bonds, Series 2011-B to the Michigan Finance Authority (Roll Call Vote Required – One Reading)

Type: Ordinance **Status:** Passed

File created: 8/15/2011 **In control:** City Council

On agenda: 8/15/2011 **Final action:** 8/15/2011

Enactment date: 8/15/2011 **Enactment #:** ORD-11-16

Title: An Ordinance Authorizing the Issuance and Sale of Water Supply System Revenue Bonds, Series 2011-B to the Michigan Finance Authority (Roll Call Vote Required - One Reading) (Ordinance No. ORD-11-16)

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD-11-15 Briefed & Approved.pdf, 2. Water Supply System Revenue Bonds, Series 2011-B

Date	Ver.	Action By	Action	Result
8/15/2011	1	City Council	Adopted	Pass

An Ordinance Authorizing the Issuance and Sale of Water Supply System Revenue Bonds, Series 2011-B to the Michigan Finance Authority (**Roll Call Vote Required - One Reading**) (Ordinance No. ORD-11-16)

Recommended for Council is an Ordinance approving the issuance by the City of its Water Supply System Revenue Bonds, Series 2011-B in the maximum principal amount of \$7,000,000 (the “Bonds”), for the purpose of financing a portion of the costs of additions and improvements to the City’s water distribution system, including the Arbor Oaks Subdivision Water Mains Replacement, Catherine Street 16” Water Main, Dover Court/Collingwood Water Main Replacement, Physical Security Enhancements, and Barton Dam Concrete Repair projects. The Bonds are to be sold directly to the Michigan Finance Authority (the “Bond Bank”) as part of its Drinking Water Revolving Fund (DWRf) program. The Public Services Area staff has received approval from the Bond Bank to participate in this financing program, scheduled to close on September 23, 2011.

The Bonds will bear interest at a fixed rate substantially lower than market rates (2.50%) and will mature over 20 years. This will be the City’s fourth such revenue bond financing through the Bond Bank’s DWRf program. The Bonds will be secured by and payable solely from revenues of the Water Supply System.

The Ordinance authorizes the Mayor, City Clerk, Chief Financial Officer and Treasurer to execute and deliver all required documentation in connection with the issuance, sale and delivery of the Bonds.

The City’s bond counsel, Dykema Gossett PLLC, has prepared the Ordinance, with further review by the City Attorney.

Prepared by: Matthew V. Horning, City Treasurer

Reviewed by: Mary Joan Fales, Senior Assistant City Attorney

Approved by: Tom Crawford, Interim City Administrator
(See Attached Ordinance)