



Legislation Text

File #: 20-0015, **Version:** 1

An Ordinance Authorizing the Issuance and Sale of Water Supply System Revenue Bonds, Series 2020 to the Michigan Finance Authority (Ordinance No. ORD-20-02) **(Roll Call Vote Required - One Reading Only)**

Recommended for Council is an Ordinance approving the issuance by the City of its Water Supply System Revenue Bonds, Series 2020 in the maximum principal amount of \$3,400,000.00 (the "Bonds"), for the purpose of financing a portion of the costs of additions and improvements to the City's water supply system, including the acquisition and construction of water disinfection technology among other improvement. 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 March 27, 2020.

The Bonds will bear interest at a fixed rate lower than market rates (2.50%) and will mature over 20 years. This will be the City's seventh 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 Administrator, 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: Michael J. Pettigrew, City Treasurer

Reviewed by: Betsy Blake, Senior Assistant City Attorney

Approved by: Howard S. Lazarus, City Administrator

(See Attached Ordinance)