

**RESOLUTION AUTHORIZING NOTICE OF INTENT AND
DECLARING INTENT TO REIMBURSE
(REVENUE BONDS)**

**VILLAGE OF LAKE ORION
COUNTY OF OAKLAND
STATE OF MICHIGAN**

Minutes of a regular meeting of the Village Council of the Village of Lake Orion, County of Oakland, State of Michigan, held on the 22nd day of April, 2024, at 7:30 p.m., prevailing Eastern Time.

PRESENT: Members _____

ABSENT: Members _____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the Village of Lake Orion, County of Oakland, State of Michigan (the “Village”), has determined that it is necessary for the public health, safety and welfare of the Village to acquire, construct, furnish and equip improvements to the water and sewer supply system of the Village’s existing Water Supply and Sewage Disposal System (the “System”), including rehabilitating lift stations; replacement of pumps, valves, compressors and motors, electrical improvements, and SCADA upgrades; improvements to sewer pipes and manholes, including open cut replacement, lining, spot repair, and pressure testing and joint repairs, together with all related appurtenances and attachments thereto (the “Project”); and

WHEREAS, the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended (“Act 94”), provides a means for financing the purchase, acquisition, construction, improvement, enlargement, extension, and repair of public improvements such as the Project through the issuance of revenue bonds; and

WHEREAS, the issuance of senior lien bonds payable from revenues of the System under Act 94 in a total amount not to exceed Nine Million Dollars (\$9,000,000) (the “Bonds”), for the purpose of financing all or part of the Project represents the most practical means to that end; and

WHEREAS, a notice of intent to issue revenue bonds must be published before the issuance of the Bonds in order to comply with the requirements of Section 33 of Act 94; and

WHEREAS, the Village intends at this time to state its intentions to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the Village for the Project prior to issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Village Clerk is hereby authorized and directed to publish a notice of intent to issue the Bonds in the *Lake Orion Review*, a newspaper of general circulation in the Village.

2. The notice of intent shall be published as a display advertisement not less than one-quarter (1/4) page in size in substantially the form attached to this resolution as Exhibit A.

3. The Village Council does hereby determine that the foregoing form of Notice of Intent to Issue Bonds, and the manner of publication directed, is adequate notice to the electors of the Village and users of the System, and is the method best calculated to give them notice of the Village's intent to issue the Bonds, the purpose of the Bonds, the security for the Bonds, and the right of referendum of the electors with respect thereto, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.

4. The Village makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) As of the date hereof, the Village reasonably expects to reimburse the Village for the expenditures described in (b) below with proceeds of debt to be incurred by the Village.
- (b) The expenditures described in this paragraph (b) are for the costs of acquiring and constructing the Project which were or will be paid subsequent to sixty (60) days prior to the date hereof.
- (c) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$9,000,000.

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

Sonja Stout, Village Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Village Council of the Village of Lake Orion, County of Oakland, State of Michigan, at a regular meeting held on April 22, 2024, 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.

Sonja Stout, Village Clerk

EXHIBIT A

NOTICE TO TAXPAYERS AND ELECTORS OF THE VILLAGE OF LAKE ORION
AND TO USERS OF THE VILLAGE'S WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM
OF INTENT TO ISSUE REVENUE BONDS AND THE
RIGHT OF REFERENDUM RELATING THERETO

PLEASE TAKE NOTICE that the Village Council of the Village of Lake Orion, County of Oakland, State of Michigan (the "Village"), intends to issue and sell revenue bonds pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in one or more series, in a total amount not to exceed Nine Million Dollars (\$9,000,000), for the purpose of paying all or part of the cost to acquire, construct, furnish and equip improvements to the sewer system of the Village's existing Water Supply and Sewage Disposal System, including rehabilitating lift stations; replacement of pumps, valves, compressors and motors, electrical improvements, and SCADA upgrades; improvements to sewer pipes and manholes, including open cut replacement, lining, spot repair, and pressure testing and joint repairs, together with all related appurtenances and attachments thereto.

SOURCE OF PAYMENT OF REVENUE BONDS

THE PRINCIPAL OF AND INTEREST ON THE REVENUE BONDS SHALL BE PAYABLE solely from the revenues received by the Village from the operations of the Water Supply and Sewage Disposal System (the "System"). The revenues will consist of rates and charges billed to the users of the System, a schedule of which is presently on file in the office of the Village Clerk. The rates and charges may from time to time be revised to provide sufficient revenues to provide for the expenses of operating and maintaining the System, to pay the principal of and interest on the bonds and to pay other obligations of the System.

BOND DETAILS

THE REVENUE BONDS will be payable in annual installments not to exceed twenty (20) in number and will bear interest at the rate or rates to be determined at public or private sale but in no event to exceed such rates as may be permitted by law on the unpaid balance from time to time remaining outstanding on said bonds.

RIGHT OF REFERENDUM

THE REVENUE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS OF THE VILLAGE IS FILED WITH THE VILLAGE CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS OF THE VILLAGE VOTING THEREON.

THIS NOTICE is given pursuant to the requirements of Section 33, Act 94, Public Acts of Michigan, 1933, as amended.

ADDITIONAL INFORMATION will be furnished at the office of the Village Clerk upon request.

Sonja Stout
Village Clerk, Village of Lake Orion