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## COUNCIL ACTION SUMMARY SHEET

**MEETING DATE:** October 28, 2024

**TOPIC** Bonds – Sanitary Sewer Pump Stations Improvement Project

### BACKGROUND BRIEF:

Administration is requesting that Village Council approve the engagement of bonding financial advisor services through Bendzinski and Company and adopt an ordinance authorizing the issuance of up to \$4.025,000 in revenue bonds for the sanitary sewer pump stations improvement project. Jeff Aronoff of Miller Canfield will serve as bond counsel for the bonds. The first bond issue will provide the monies necessary to complete the phase I project pending the receipt of the \$1.75 million in grant funding through the 2024 Congressional Community Projects Grant Program. Bond proceeds not utilized for the phase I project will be used for subsequent project phases.

Attached are the bond ordinance, financial advisor services engagement letter, and supporting information relating to the bond issue and project costs. Bond Counsel Jeff Aronoff, Financial Advisor Stephen Hayduk, and Village Engineer Wendy Spence will be in attendance at Monday's meeting to present the bond and project cost information and to answer Council's questions.

### SUMMARY OF PREVIOUS COUNCIL ACTION:

03/18/2024 – Council adopted the resolution authorizing the publication of the notice of intent to issue revenue bonds for the Sanitary Sewer Pump Stations Improvement Project up to \$9 million.

05/13/2024 – Council received and filed the bond counsel engagement letter from Miller Canfield for the Sanitary Sewer Pump Stations Improvement Project bond issuance.

### FINANCIAL IMPACT:

Please refer to the attached documents for the costs of bond issuance and debt retirement schedule as well as the current cost estimates for the Sanitary Sewer Pump Stations Improvement Project.

### RECOMMENDED MOTION:

#1 – To approve the letter of engagement for bond financial advisor services from Bendzinski & Company dated October 22, 2024, and authorize the Village Manager to execute the acceptance of the letter on behalf of the Village.

#2 – To adopt Ordinance No. 38.04, **AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM REVENUE BONDS TO PAY THE COST OF THE ACQUISITION AND CONSTRUCTION OF, IMPROVEMENTS TO THE WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM OF THE VILLAGE AND 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 FUND FOR THE BONDS AND OUTSTANDING BONDS OF THE SYSTEM; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS AND OUTSTANDING BONDS OF THE SYSTEM IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE SYSTEM AND THE BONDS AND OUTSTANDING BONDS OF THE SYSTEM;** and to direct the Village Clerk to cause the same to be published in full in The Lake Orion Review newspaper after its approval.