

ORDINANCE 2019-04

RESOLUTION AUTHORIZING PUBLICATION OF NOTICE OF INTENT TO ISSUE CAPITAL IMPROVEMENT BONDS

Village of Ashley
County of Gratiot, State of Michigan

Minutes of a regular meeting of the Village Council of the Village of Ashley, County of Gratiot, State of Michigan, held on September 12, 2019, at 7:00 p.m., prevailing Eastern Time.

PRESENT: Ann Paksi, Mike Turner, Dave Foote, Stefanie Studt, Dough Schneider,
Kristin Wilson

ABSENT: Robert Studt

The following preamble and resolution were offered by Member **M. Turner** and supported by Member **D. Schneider**:

WHEREAS, the Village Council of the Village of Ashley, County of Gratiot, State of Michigan (the "Village"), intends to issue and sell general obligation capital improvement bonds, pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), in an amount not to exceed Four Hundred Fifty Thousand Dollars (\$500,000) for the purpose of paying the cost to acquire real property to be used for Village purposes, including sanitary sewer infrastructure and all related site improvements, appurtenances and attachments thereto (the "Project"); and

WHEREAS, a notice of intent to issue the bonds must be published before the issuance of the Bonds in order to comply with the requirements of Section 517 of Act 34; and

WHEREAS, the Village intends at this time to state its intention 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 bonds in the *Gratiot County Herald*, a newspaper of general circulation in the Village. Publication heretofore is hereby ratified, confirmed and approved.

2. Said notice of intent shall be published as a one-quarter ($\frac{1}{4}$) page display advertisement in substantially the form set forth in Appendix A hereto and by this reference made a part hereof.

3. The Village Council does hereby determine that the form of notice of intent to issue bonds set forth in Appendix A to this resolution and the manner of publication directed is the method best calculated to give notice to the Village taxpayers and electors residing in the boundaries of the Village of the Village's intent to issue the bonds, the maximum amount of bonds to be issued, the purpose of the bonds, the source of payment for the bonds, and the right of referendum relating 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) The Village reasonably expects to reimburse itself with proceeds of the Bonds for certain costs of the Project which were paid or will be paid from funds of the Village subsequent to sixty (60) days prior to today.

(b) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$500,000.

(c) A reimbursement allocation of the capital expenditures described above with the proceeds of the Bonds will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the Village's use of the proceeds of the Bonds to reimburse the Village for a capital expenditure made pursuant to this resolution.

5. The Village hereby approves the retention of Miller, Canfield, Paddock and Stone, P.L.C., as bond counsel in connection with the bonds.

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

AYES: D. Foote, A. Paksi, S. Studt, D. Schneider, M. Turner, K. Wilson

NAYS: None

RESOLUTION DECLARED ADOPTED.

Michelle Fitzpatrick
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 Ashley, County of Gratiot, State of Michigan, at a regular meeting held on September 12, 2019, 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.

Michelle Fitzpatrick
Village Clerk

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Appendix A

NOTICE TO TAXPAYERS AND ELECTORS OF THE VILLAGE OF ASHLEY OF INTENT TO ISSUE BONDS SECURED BY THE TAXING POWER OF THE VILLAGE AND RIGHT OF REFERENDUM THEREON

PLEASE TAKE NOTICE that the Village Council of the Village of Ashley, County of Gratiot, State of Michigan, intends to issue and sell general obligation capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”), in an amount not to exceed Four Hundred Fifty Thousand Dollars (\$450,000) for the purpose of paying the cost to acquire real property to be used for Village purposes, including sanitary sewer infrastructure and all related site improvements, appurtenances and attachments thereto.

BOND DETAILS

SAID BONDS shall mature no later than twenty (20) years from the date of issuance, with interest rates to be determined at a public or private sale but in no event to exceeding the maximum rate permitted by law on the unpaid balance from time to time remaining outstanding on said bonds.

SOURCE OF PAYMENT OF BONDS

THE PRINCIPAL AND INTEREST OF THE BONDS shall be payable from the general funds of the Village lawfully available for such purposes including property taxes levied within applicable constitutional and statutory tax rate limitations. The Village anticipates paying a portion of the debt service payments on the bonds from revenues received by the Village from the operation of its sanitary sewer systems.

RIGHT OF REFERENDUM

THE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A VALID PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS RESIDING WITHIN THE BOUNDARIES 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 RESIDING WITHIN THE BOUNDARIES OF THE VILLAGE VOTING THEREON.

THIS NOTICE is given pursuant to the requirements of Section 517, Act 34, Public Acts of Michigan, 2001, as amended.

Michelle Fitzpatrick
Village Clerk
Village of Ashley

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