



Legislation Text

File #: 2012-0368, **Version:** 1

Request for Authorization to refund all or part of the outstanding County issued Rewold Drainage District Phase II Bonds, Series 2005

Whereas, pursuant to the provisions of Chapter 20 of Act No. 40, Public Acts of Michigan, 1956, as amended, the Rewold Drainage District has issued its Drain Bonds, Phase II Drain Improvements, Series 2005 dated August 1, 2005, in the original principal amount of \$3,235,000 (collectively, the "Prior Bonds"), to refund bonds originally issued to defray part of the cost of constructing the Rewold Drain in anticipation of the collection of the several installments against the City of Rochester Hills (the "City"), the County of Oakland (the "County"); and the State of Michigan (the "State"); and

Whereas, the City has been advised that conditions in the bond market have now improved from the conditions which prevailed at the time the Prior Bonds were sold and that the Prior Bonds could be refunded at a considerable savings to the City and the County; and

Whereas, it is the determination and judgment of this City Council that the Prior Bonds should be refunded to secure for the City the anticipated savings.

Now, Therefore, Be It Resolved By The City Council of the City of Rochester Hills, Michigan, as follows:

1. The Rewold Drainage District is requested and authorized to issue its refunding bonds (the "Refunding Bonds") pursuant to the provisions of Act No. 34, Public Acts of Michigan, 2001, as amended, in an amount necessary to refund all or part of the Prior Bonds (as shall be determined by the Drainage Board) and paying the costs of issuing the Refunding Bonds provided that the final result of the refunding, to the City, is a Net Present Value Savings of \$100,000 or more and at least 2%.
2. The proceeds of the Refunding Bonds shall be sufficient to pay the costs of issuing the Refunding Bonds and to establish an Escrow Fund in an amount which will be sufficient to pay the principal of, the redemption premiums on, and the interest on the Prior Bonds that are refunded without further payment by the City or the County.
3. The City agrees and consents to the Rewold Drainage District's imposition of special assessments against the City on the Rewold Drainage District's refunding bonds special assessment roll for the payment of the Refunding Bonds. It is also understood that the City will be levying a drain debt millage to satisfy its share of the refunding bonds issued.
4. The City Finance Director is authorized to file an Application for State Treasurer's Approval to Issue Bonds with respect to the Refunding Bonds.
5. The City Clerk, City Treasurer, City Finance Director is authorized to approve the circulation of a preliminary and final official statement for the Refunding Bonds, to cause the preparation of those portions of the preliminary and final official statement for compliance with Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended (the "Rule"). The Clerk, Treasurer, Finance Director is authorized to execute and deliver such certificates and to do all other things necessary to effectuate the sale and delivery of the Refunding Bonds.
6. The City Clerk, City Treasurer, City Finance Director is authorized to execute and deliver in the name and on behalf of the City a continuing disclosure certificate to comply with the requirements for a continuing disclosure undertaking by the City pursuant to paragraph (b)(5) of the Rule, and amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the "Continuing Disclosure Certificate"). The City hereby covenants and agrees that it will comply with and carry out all the provisions of the Continuing Disclosure Certificate.
7. All resolutions and parts of resolutions, insofar as the same may be in conflict herewith, are hereby rescinded.

