



# Rochester Hills

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
(248) 656-4600  
Home Page:  
www.rochesterhills.org

## Master

**File Number: 2012-0275**

**File ID:** 2012-0275

**Type:** Finance

**Status:** To Council

**Version:** 1

**Reference:** 2012-0275

**Controlling Body:** City Council  
Regular Meeting

**File Created Date :** 07/23/2012

**File Name:** Request for Authorization to refund all or part of the outstanding County issued Rochester Hills Water Supply and Sewage Disposal System Bonds, Series 2005

**Final Action:**

**Title label:** Request for Authorization to refund all or part of the outstanding County issued Rochester Hills Water Supply and Sewage Disposal System Bonds, Series 2005

**Notes:**

**Sponsors:**

**Enactment Date:**

**Attachments:** Agenda Summary.pdf, Estimated Savings.pdf

**Enactment Number:**

**Contact:**

**Hearing Date:**

**Drafter:**

**Effective Date:**

### History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

### Text of Legislative File 2012-0275

**Title**

Request for Authorization to refund all or part of the outstanding County issued Rochester Hills Water Supply and Sewage Disposal System Bonds, Series 2005

**Body**

**Whereas**, pursuant to the provisions of Act No. 342, Public Acts of Michigan, 1939, as amended ("Act 342"), the City of Rochester Hills (the "City") and the County of Oakland (the "County"), acting by and through its Drain Commissioner as county agency, have entered into the Oakland County Water Supply and Sewage Disposal Systems for Rochester Hills - Extension No. 5A Project Contract, dated May 1, 2005 (said contract hereinafter referred to as the "Contract"); and

**Whereas**, the County has issued its Oakland County Rochester Hills Water Supply and Sewage Disposal System Bonds, Series 2005, dated December 1, 2005 in the original principal amount of \$3,800,000 (the "Prior Bonds"). The Prior Bonds were issued to defray part of the cost of acquiring and constructing water supply and sewage disposal facilities to improve, enlarge and extend the Oakland County Water Supply and Sewage Disposal Systems for Rochester Hills to serve the County and the City; and

**Whereas**, the Prior Bonds remain outstanding in the aggregate principal amount of \$1,950,000, mature in various principal amounts in the years 2013 through 2022 and bear interest at rates per annum which vary from 4.00% to 4.40%; 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 all or part of the callable Prior Bonds could be refunded at a considerable savings to the City; and

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

**Therefore, Be It Resolved** that:

1. The County is requested and authorized to issue its refunding bonds in the aggregate principal amount of not to exceed \$2,150,000 (the "Refunding Bonds") pursuant to the provisions of Act No. 34, Public Acts of Michigan, 2001, amended, for the purpose of refunding all or part of the outstanding Prior Bonds (as shall be determined by the County Water Resources Commissioner as County Agency) and paying the costs of issuing the Refunding Bonds.

2. The proceeds of the Refunding Bonds shall be sufficient, together with other available funds to be contributed by the City, if any, to pay the costs of issuing the Refunding Bonds and to pay the principal of, redemption premiums, if any, and the interest on the Prior Bonds that are refunded.

3. The City covenants and agrees to continue to make payments to the County in accordance with the requirements of the Contract, said payments to be in amounts sufficient to pay the principal of and interest on the Refunding Bonds and any of the Prior Bonds that are not refunded as the same shall become due and all paying agency fees and other expenses and charges (including the county agency's administrative expenses) that are payable on account of the Refunding Bonds and those Prior Bonds that are not refunded. The City acknowledges and agrees that its obligations as set forth in the Contract shall continue for the Refunding Bonds and the County shall have all rights and remedies set forth in the Contract to enforce the obligations of the City with respect to the Refunding Bonds in the same manner and to the same extent that such rights and remedies are available with respect to the Prior Bonds.

4. The City specifically (but not by way of limitation) reaffirms its pledge of its full faith and credit for the payment of its obligations with respect to the Refunding Bonds and its obligation to levy taxes for the payment of the principal of and interest on the Refunding Bonds in accordance with the provisions of the Contract.

5. The Mayor, Clerk and Director of Finance are each authorized, if necessary, to file an application for the State Treasurer's approval to issue the Refunding Bonds.

6. The Mayor, Clerk and Director of Finance are each 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 that pertain to the City, and to do all other things necessary for compliance with Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended (the "Rule"). The Mayor, Clerk and Director of Finance are each authorized to execute and deliver such documents and certificates and to do all other things necessary to effectuate the sale and delivery of the Refunding Bonds.

7. The Mayor, Clerk and Director of Finance are each authorized to execute a certificate of the City, constituting an undertaking to provide ongoing disclosure about the City for the benefit of the holders of the Refunding Bonds as required under paragraph (b)(5) or (d)(2) of the Rule, as applicable, and amendments to such certificate from time to time in accordance with the terms of the 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 of the provisions of the Continuing Disclosure Certificate.

8. All resolutions and parts of resolutions, insofar as the same may be in conflict herewith, are hereby

rescinded.