



Rochester Hills

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Master

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File Name: Prepayment of Oakland-Macomb Interceptor Drain District

Final Action:

Title label: Request for Approval of the prepayment of the Oakland-Macomb Interceptor Drain District, Segment 4

Notes:

Sponsors:

Enactment Date:

Attachments: 020915 Agenda Summary.pdf, OMI-2015-Oakland Segment 4, Contract 5B.pdf, OCWRC Letter 020415.pdf, Resolution (Draft).pdf

Enactment Number:

Contact:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council Regular Meeting	02/09/2015					

Text of Legislative File 2015-0059

Title

Request for Approval of the prepayment of the Oakland-Macomb Interceptor Drain District, Segment 4

Body

Whereas, the Oakland-Macomb Interceptor ("OMI") Drain Drainage District (the "District") intends to secure financing of up to \$20 million for the final phase of construction to complete the rehabilitation of the Oakland-Macomb Interceptor systems as initiated in 2009; and,

Whereas, necessary improvements to the Northeast Sewage Pump Station will also be completed with this financing; and,

Whereas, a State of Michigan SAW loan will be secured in April 2015 for approximately \$10 million with an anticipated rate of interest at 2.50% for the next twenty years; and,

Whereas, in April 2015, the District is planning on selling publicly its Drain Bonds, Series 2015, in an

amount not to exceed \$10 million with an anticipated rate of interest of 3.20% for the next twenty years; and,

Whereas, the State of Michigan SAW loan will be used to fund the work in Segment 4-Contract 5B for the repair of the sewer on the Oakland Arm of the system in Shelby Township and the City of Utica; and,

Whereas, the Drain Bonds, Series 2015, will be used to fund the necessary repairs and upgrades to the Northeast Sewage Pump Station; and,

Whereas, the City has the option of prepaying the entire assessment for the State of Michigan SAW loan, or the public bond sale, or both; and,

Whereas, the City's estimated drain assessment based on the apportionment adopted by the Drainage Board for the OMI Drainage District is \$2,586,520; and,

Whereas, to avoid finance charges associated with the State of Michigan SAW loan and the OMI Drain Bonds, Series 2015, the City agrees to prepay the drain assessment.

Now Therefore Be It Resolved that the City of Rochester Hills, hereby agrees to prepay the drain assessment based on the apportionment adopted by the Drainage Board for the OMI Drain Drainage District for the work associated with Segment 4 - Contract 5B and the Northeast Sewage Pump Station.

Be It Further Resolved that the Mayor and the Clerk are authorized and directed to forward this Resolution on behalf of the City to the OMI Drain Drainage Board Secretary, the Oakland County Water Resources Commissioner.