



## Oakland-Macomb Interceptor Drain Drainage District

---

June 13, 2024

Re: Oakland-Macomb Interceptor Drain Drainage District  
Special Assessment Roll No. 1 (“Roll No. 1”) Drain Bonds, Series 2024

The Oakland-Macomb Interceptor Drain Drainage District (the “Drainage District”) will soon commence the construction of a new corrosion control and odor mitigation system (the “Project”) for the Oakland-Macomb Interceptor Drain (the “OMID”). The OMID has experienced significant degradation due to sulfuric acid formed from hydrogen sulfide (“H<sub>2</sub>S”). The H<sub>2</sub>S emitted from the system has also been the source of numerous odor complaints. While many sections of the drain have been lined, the H<sub>2</sub>S still poses a threat to unlined components and continues to be an unresolved odor issue in certain locations. The Drain Board will issue Drain Bonds, Series 2024 (the “Bonds”) of up to \$11,400,000 to finance the project.

On June 12, 2024, the Drainage Board approved Special Assessment Roll No. 1, which apportions the cost of the Bonds related to the Project across the local units. Section 526 of Chapter 21 of the Michigan Drain Code of 1956 (the “Drain Code”), as amended, MCL 280.526, requires the Chairperson of the Drainage Board to certify the assessment to each public corporation and allow for prepayment of the assessment for any communities that determine prepayment to be in their best interest. Prepayment allows communities to avoid interest and finance costs associated with the Bonds. Attached is a copy of the Special Assessment Roll No. 1 and certification of the assessment.

**Each community may elect to either pay its assessment in installments with interest or prepay its assessment to save the cost of issuance and interest.**

### **Installment Payments**

**If your community chooses to pay in installments, no official action is required.** Please email this decision to ([chirollar@oakgov.com](mailto:chirollar@oakgov.com); [steveb@mfc.com](mailto:steveb@mfc.com)). Your community’s assessments will be included in the Bonds. Each assessment will be collected over twenty (20) installments. The Bonds are anticipated to be sold at a competitive public sale in August 2024. The estimated interest rate based on the current market is approximately 4.00%. The interest rate is an estimate subject to change and will not be final until the bond sale date. Interest is anticipated to be due semiannually beginning on January 1, 2025, and principal due annually beginning on July 1, 2025.

### **Prepayment**

**Each community electing to prepay its assessments must notify the Drain Board of its intent to prepay and the amount to be prepaid by July 12, 2024.** The notice of the intent to prepay may be communicated in any form. If your community’s board or council decides to adopt a resolution approving prepayment following consultation with your local attorney, please include the adopted resolution in your prepayment notice.

**Email the notice of intent/resolution to prepay** to Raphael Chirolla, and Steven Burke, CFA ([chirollar@oakgov.com](mailto:chirollar@oakgov.com); [steveb@mfc.com](mailto:steveb@mfc.com)). In addition, mail a hard copy of the notice of intent to prepay to the Office of the Oakland County Water Resources Commissioner, Attention: Raphael Chirolla, One Public Works Drive, Bldg. 95-West, Waterford, MI 48328.

Oakland County Fiscal Services will send prepayment invoices with payment instructions on or about July 15, 2024. **All prepayments must be received by Oakland County no later than August 9, 2024.**

Should you have any questions, please contact the following individuals:

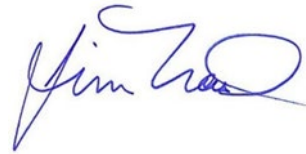
- Project questions: Jen Cook, Project Manager, Oakland County Water Resources, at 947.955.6560 or email: [cookjm@oakgov.com](mailto:cookjm@oakgov.com).
- Financing questions: Steven Burke, CFA, financial advisor to the Drainage District, MFCI, LLC, at 313.782.3011 or email: [steveb@mfc.com](mailto:steveb@mfc.com).

Thank you, and we look forward to our continued relationship as we proceed with this critical project.

Sincerely,



Candice Miller  
Macomb County Public Works Commissioner



Jim Nash  
Oakland County Water Resources Commissioner

Enclosures

**Oakland-Macomb Interceptor Drain Drainage District Drain Bonds, Series 2024**  
**Special Assessment Roll No. 1 ("Roll No. 1")**  
 (An Inter-County Drain in Oakland County and Macomb County, Michigan)  
 Dated: June 12, 2024

Total Amount Assessed for the Project Costs:	\$ 11,140,000
Total Prepayments:	-
Total Project Cost Bonded:	11,140,000
Estimated Total Amount to be Assessed for the Financing Costs (Including Est. Underwriter Discount):	260,000
Financing Contingency:	-
<b>Total Bond Issue*:</b>	<b>\$ 11,400,000</b>

\*Including Financing Costs and Contingency

<u>County of Oakland</u> PUBLIC CORPORATIONS	33.1000% Percentage of Project	Amount Assessed for Project	Amount Assessed for Financing Costs	Amount Assessed for Bond Issue	33.1000% Percentage of Bond Issue
City of Auburn Hills	4.9705%	\$553,714	\$12,923	\$566,637	4.9705%
Independence Township (incl. Village of Clarkston)	2.4213%	269,733	6,295	276,028	2.4213%
City of Lake Angelus	0.0185%	2,061	48	2,109	0.0185%
Village of Lake Orion	0.3409%	37,976	886	38,862	0.3409%
Oakland Township	1.0393%	115,778	2,702	118,480	1.0393%
Orion Township	3.1494%	350,843	8,188	359,031	3.1494%
Oxford Township	1.2468%	138,894	3,242	142,136	1.2468%
Village of Oxford	0.5928%	66,038	1,541	67,579	0.5928%
City of Rochester	1.9526%	217,520	5,077	222,597	1.9526%
City of Rochester Hills	8.1106%	903,521	21,088	924,609	8.1106%
Waterford Township	7.6159%	848,411	19,801	868,212	7.6159%
West Bloomfield Township	1.6414%	182,852	4,268	187,120	1.6414%
County of Oakland Total	<u>33.1000%</u>	<u>\$3,687,341</u>	<u>\$86,059</u>	<u>\$3,773,400</u>	<u>33.1000%</u>
<u>County of Macomb</u> PUBLIC CORPORATIONS	66.9000% Percentage of Project	Amount Assessed for Project	Amount Assessed for Financing Costs	Amount Assessed for Bond Issue	66.9000% Percentage of Bond Issue
Chesterfield Township	4.9783%	\$554,583	\$12,944	\$567,527	4.9783%
Clinton Township	13.9899%	1,558,475	36,374	1,594,849	13.9899%
City of Fraser	2.8103%	313,067	7,307	320,374	2.8103%
Harrison Township	4.1896%	466,721	10,893	477,614	4.1896%
Lenox Township	0.7827%	87,193	2,035	89,228	0.7827%
Macomb Township	9.4656%	1,054,468	24,611	1,079,079	9.4656%
Village of New Haven	0.5614%	62,540	1,460	64,000	0.5614%
Shelby Township	6.5484%	729,492	17,026	746,518	6.5484%
City of Sterling Heights	20.6591%	2,301,423	53,713	2,355,136	20.6591%
City of Utica	1.0966%	122,161	2,851	125,012	1.0966%
Washington Township	1.8181%	202,536	4,727	207,263	1.8181%
County of Macomb Total	<u>66.9000%</u>	<u>\$7,452,659</u>	<u>\$173,941</u>	<u>\$7,626,600</u>	<u>66.9000%</u>
Combined Total:	<u>100.0000%</u>	<u>\$11,140,000</u>	<u>\$260,000</u>	<u>\$11,400,000</u>	<u>100.0000%</u>