

**City of Ionia
County of Ionia, State of Michigan**

**RESOLUTION APPROVING
CONTRACT FOR WATER AND SEWER REFUNDING BONDS**

A RESOLUTION TO APPROVE:

- Net Present Value Savings through refunding the County of Ionia Water and Sewer Improvement Bonds (City of Ionia) Series 2015.

WHEREAS, the County of Ionia (the “County”), pursuant to the authority conferred upon it by Act 185, Public Acts of Michigan, 1957, as amended (“Act 185”) has previously established a Board of Public Works (the “Board of Public Works”); and

WHEREAS, the County issued its Water and Sewer Improvement Bonds (City of Ionia), Series 2015 (Limited Tax General Obligation), dated as of June 2, 2015 (the “Prior Bonds”) for the purpose of providing funds to pay the costs of water and sewer system improvements within the City of Ionia (the “City”) as a part of the Ionia County Water Supply and Sewer System (City of Ionia) (the “System”); and

WHEREAS, the Prior Bonds are payable primarily from the proceeds of contractual payments paid by the City to the Board of Public Works, acting for and on behalf of the County, pursuant to a contract between the County and the City dated April 13, 2015 (the “2015 Contract”); and

WHEREAS, Bendzinski & Co., Municipal Finance Advisors (the “Municipal Advisors”) has advised the County and the City that the current conditions in the bond market could permit all or a portion of the Prior Bonds to be refunded at a significant savings; and

WHEREAS, a Refunding Contract to supplement the 2015 Contract (the “Refunding Contract”) has been prepared providing for the issuance by the County of refunding bonds (the “Refunding Bonds”); and

WHEREAS, under the Refunding Contract, in the event any Refunding Bonds are issued, the duties and obligations of the County and the City as expressed and set forth in the 2015 Contract shall be applicable to such Refunding Bonds as well as the Prior Bonds, it being at all times fully recognized and agreed that the payments to be paid by the City shall be based upon the total amount of bonds issued to finance or refinance the costs of the project financed thereby; and

WHEREAS, it is the determination and judgment of the City that the Prior Bonds should be refunded to secure for the City the interest savings anticipated and thereby permit the operation of the System in a more economical fashion for the benefit of the users of the System and the taxpayers of the City.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Refunding Contract attached hereto in full and made a part of this resolution is hereby approved effective as of the date of delivery of the Refunding Bonds. The Mayor and City Clerk are authorized and directed to execute the Refunding Contract for and on behalf of the City with such changes and insertions in consultation with bond counsel as may be necessary or desirable to effectuate the sale and delivery of the Refunding Bonds by the County, permitted by law, and not materially adverse to the City.

2. The Refunding Contract will become effective and binding upon the approval thereof by resolution of the Board of Commissioners of the County and execution thereof for the County by the Board of Public Works and delivery of the Refunding Bonds.

3. If savings result, the City requests the County to sell the Refunding Bonds in the principal amount of not-to-exceed \$5,500,000.

4. The City does hereby ratify and confirm its covenant in the 2015 Contract as supplemented by the Refunding Contract to levy ad valorem taxes against all taxable property in the City to the extent necessary to meet the obligations of the City thereunder and does further indicate its purpose and intent to make such a levy as necessary to meet such obligations, such levy, if necessary, to be within charter, statutory and constitutional limitations. The City hereby requests that the County pledge its full faith and credit as secondary security for Refunding Bonds as provided under the provisions of Act 185, Public Acts of Michigan, 1957, as amended.

5. The City and all agents and employees shall cooperate with the County and the Board of Public Works to the end that the Refunding Bonds may be issued as promptly as possible as described in this resolution.

6. The Mayor, the City Clerk and the City Manager each is hereby severally authorized to execute on behalf of the City any closing document or certificate as may be required by the County or the purchaser of the Refunding Bonds. The City hereby covenants to take all action within its control to the extent permitted by law necessary to maintain the exclusion of the interest on the Refunding Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended, including but not limited to, actions relating to the rebate of arbitrage earnings and expenditure and investment of proceeds of the Refunding Bonds and moneys deemed to be proceeds of the Refunding Bonds.

7. The Mayor, the City Clerk, the City Manager and the City Finance Director is each individually hereby authorized and directed to approve the circulation of a preliminary official statement and a final official statement describing the Refunding Bonds and to execute a final official statement on behalf of the City.

8. In order to enable underwriters to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City hereby agrees to undertake Continuing Disclosure.

9. The City requests that Bendzinski & Co., Registered Municipal Advisors, continue to serve as Municipal Advisor for the Refunding Bonds.

10. The City requests that Miller, Canfield, Paddock and Stone, P.L.C. continue to serve as bond counsel for the Refunding Bonds. The City acknowledges that Miller, Canfield represents many municipal bond underwriters, banks, and financial institutions in connection with matters unrelated to issuance of the Refunding Bonds.

11. The City hereby designates the Refunding Bonds as “qualified tax-exempt obligations” for purposes of deduction of interest expense by financial institutions under the Internal Revenue Code of 1986, as amended.

12. The Mayor, City Manager, City Clerk, and Finance Director and any other officers, administrators, agents and attorneys of the City are authorized and directed to execute and deliver on behalf of the City all other agreements, documents and certificates and to take all other actions as may be required by the County or the purchaser of the Refunding Bonds, or as they may deem necessary or appropriate to provide for the issuance, sale, and delivery of the Refunding Bonds, and to pay costs of issuance including but not limited to transfer and escrow agent fees, municipal advisor fees, bond counsel fees, fees of the verification agent, any other costs necessary to accomplish sale and delivery of the Refunding Bonds and payment of the Refunding Bonds to be refunded, and any costs incurred by the County and/or the Board of Public Works related to the Refunding Bonds in accordance with the County’s policies for projects funded with County assistance.

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

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the City Council of the City of Ionia, County of Ionia, Michigan at a regular meeting held on June 7, 2023 at 7:00 p.m. Eastern Time, 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, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

I further certify that the following Members were present at said meeting: Waterman, Millard, Starr, Lee, Milewski, and Balice and that the following Members were absent: Gustafson, Videtich, and Winters.

I further certify that Member Starr moved for adoption of said resolution and that Member Millard supported said motion.

I further certify that the following Members voted for adoption of said resolution: Waterman, Millard, Starr, Lee, Milewski, and Balice and that the following Members voted against adoption of said resolution: none.


Mary Patrick, City Clerk