



Legislation Details (With Text)

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Title: U.S. Bank Successor Trustee

Sponsors: Nicolette Bateson

Indexes: Finance

Code sections:

Attachments: 1. 2.0 US Bank Notification Letter, 2. 3.0 GLWA Successor Trustee Disclosure Posting_water, 3. 4.0 GLWA Successor Trustee Disclosure Posting_sewer

Date	Ver.	Action By	Action	Result
2/23/2022	1	Board of Directors	Approved	Pass

U.S. Bank Successor Trustee

Agenda of: February 23, 2022
Item No.: **2022-069**
Amount: N/A

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.
Interim Chief Executive Officer
Great Lakes Water Authority

DATE: February 23, 2022

RE: **U.S. Bank Successor Trustee**

MOTION

Upon recommendation of Nicolette N. Bateson, Chief Financial Officer//Treasurer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **ratifies and confirms the appointment of U.S. Bank Trust Company, National Association as successor to U.S. Bank National Association as trustee** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

U.S. Bank National Association has transferred substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Company, National Association, effective January 29, 2022 as described in the notification letter from U.S. Bank included as support with this Board letter. It is our understanding there are no operational or location changes. However, staff does recommend that the GLWA Board of Directors take an administrative action to formally ratify and confirm the appointment of U.S. Bank Trust Company, National Association as successor to U.S. Bank National Association as trustee.

It should also be noted that, as a result of this change, GLWA was required to file an event disclosure to comply with the notice of certain events as identified in Securities and Exchange Commission Rule 15c2-12. This rule required GLWA to disclose this information within 10 business days of U.S. Bank's notification on January 29, 2022 resulting in a notice filing date no later than February 11, 2022. GLWA staff filed this notice on February 9, 2022. A copy of both the water and sewer notices also follow this Board letter.

JUSTIFICATION

The GLWA Master Bond Ordinance includes a provision (Section 907) for the appointment of a successor trustee. Specially, Section 907 provides, in part that "the Authority covenants and agrees that the Authority Board will thereupon appoint a successor Trustee which shall be a bank or trust company... within 60 days after the Trustee's giving of written notice of resignation to the Authority." Therefore, although this is a non-operational transaction with no known operational impact to GLWA, it does warrant action by the GLWA Board of Directors to ratify and confirm the appointment of U.S. Bank Trust Company, National Association.

BUDGET IMPACT

There is no impact to the GLWA budget resulting from this action.

COMMITTEE REVIEW

This matter was reviewed by the Audit Committee at its meeting on February 11, 2022. The Audit Committee unanimously recommended that the GLWA Board of Directors ratify and confirm the appointment of U.S. Bank Trust Company, National Association as successor to U.S. Bank National Association as trustee as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.