

Great Lakes Water Authority
Resolution 2019-195
RE: Authorizing Publication of Notice of Intent
to Issue Water Supply System Revenue Bonds

By Board Member: Abe Munfakh

Whereas The Great Lakes Water Authority (the “Authority”) is authorized to issue revenue bonds pursuant to the provisions of Act 94, Public Acts of Michigan, 1933, as amended (“Act 94”) for the purpose of paying all or part of the costs of purchasing, acquiring, constructing, improving, enlarging, extending and repairing the Water System as defined in the Regional Water Supply System Lease, dated June 12, 2015, between the City of Detroit and the Authority; and

Whereas The Authority intends to issue one or more series of revenue bonds for the purposes hereinafter set forth; and

Whereas Section 33 of Act 94 requires the publication of a notice of intent to issue bonds at least 45 days prior to the issuance of such bonds.

Now, Therefore Be It:

Resolved That the Chief Financial Officer/Treasurer is hereby instructed to cause the publication of a notice of intent to issue bonds with respect to the hereinafter-described bonds once in the *Detroit Free Press* or the *Detroit News*, so as to be prominently displayed therein, and it is hereby found that each such newspaper has general circulation in the territory of the Authority; **And Be it Further**

Resolved That the notice of intent to issue bonds shall be in substantially the following form with such necessary or desirable changes as may be approved by the Chief Financial Officer/Treasurer, her approval to be conclusively evidenced by the publication of the notice of intent to issue bonds:

NOTICE OF INTENT TO ISSUE WATER SUPPLY SYSTEM
REVENUE BONDS BY THE GREAT LAKES WATER AUTHORITY

TO THE ELECTORS OF THE CHARTER COUNTY OF MACOMB, THE COUNTY OF OAKLAND AND THE CHARTER COUNTY OF WAYNE:

NOTICE IS HEREBY GIVEN, that the Great Lakes Water Authority (the "Authority"), a municipal authority organized and existing under the provisions of Act No. 233, Public Acts of Michigan, 1955, as amended, intends to issue its water supply system revenue bonds in one or more series in the aggregate principal amount of not to exceed \$160,000,000 for the purpose of paying all or part of the cost of acquiring and constructing facilities, replacements, extensions, improvements and repairs to the City of Detroit's water supply system (the "Water System"), which Water System is described and defined in the Regional Water Supply System Lease dated June 12, 2015, between the City of Detroit (the "City") and the Authority (the "Lease"). As set forth in the Lease, the Water System consists of (i) the Regional Water System, which is that portion of the Water System that provides water service to wholesale customers thereof and to individual customers within and outside the City ("Retail Water Customers") that receive water service directly from the hereinafter described Local Water System up to the point of connection to the Local Water System and (ii) the Local Water System, which is that portion of the Water System that provides service directly to Retail Water Customers. Pursuant to the Lease, the City has leased the Regional Water System to the Authority for a period of forty (40) years and the Authority is authorized to issue revenue bonds under Act No. 94, Public Acts of Michigan, 1933, as amended ("Act 94") for the foregoing purposes.

The bonds of each series will mature in not to exceed forty (40) years after the original issuance date of the respective series of bonds, and will bear interest at rates to be determined upon the sale thereof but in no event to exceed such rates as may be permitted by law.

SOURCE OF PAYMENT OF REVENUE BONDS

The bonds will be issued under and pursuant to the provisions of Act 94 and a resolution or ordinance of the Board of Directors of the Authority and will be payable from the net revenues of the Water System and any improvements, enlargements and extensions thereto, and a statutory lien on said revenues will be established by said resolution or ordinance. The Authority will covenant and agree to fix and maintain, or cause to be fixed and maintained, at all times while any of the bonds shall be outstanding such rates and charges for service furnished by the Water System as shall be sufficient to provide for payment of the necessary expenses of operation, maintenance and administration of the Water System and of the principal of and interest on the bonds when due, and to provide for such other expenditures, accounts and funds for the Water System as are required by the resolution or ordinance authorizing the issuance of bonds.

RIGHT TO PETITION FOR REFERENDUM

This notice is given, by order of the Board of Directors of the Authority, to and for the benefit of the electors of the Charter County of Macomb, the County of Oakland and the Charter County of Wayne (collectively, the “Authority District”) in order to inform them of their right to petition for a referendum upon the question of the issuance of the aforesaid bonds. The bonds will be issued, without submitting such a question to a vote of the electors, unless within 45 days after the date of publication of this notice, a petition requesting a referendum upon such question, signed by not less than 15,000 of the registered electors residing in the Authority District shall have been filed with the Secretary of the Authority. The address of the Secretary of the Authority is 735 Randolph, Detroit, Michigan 48226. In the event that such a petition is filed, the bonds will not be issued unless and until the issuance thereof shall have been approved by the vote of a majority of the electors of the Authority District qualified to vote and voting thereon at a general or special election.

FURTHER INFORMATION

Further information relative to the issuance of said bonds, the Lease and the subject matter of this notice may be secured at the office of the Chief Financial Officer/Treasurer of the Great Lakes Water Authority, 735 Randolph, Room 1608, Detroit, Michigan 48226.

This notice is given pursuant to the provisions of Section 33 of Act 94.

Nicolette N. Bateson
Chief Financial Officer/Treasurer
Great Lakes Water Authority

And Be it Further

Resolved That it is hereby determined that the foregoing form of notice of intent to issue bonds and the manner of publication so directed are adequate notice to the electors of the constituent public corporations of the Authority and are well calculated to inform them of the intention of the Authority to issue the revenue bonds, the source of payment therefor, and the right of referendum on the revenue bonds; **And Be it Further**

Resolved That all resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Adopted by the Great Lakes Water Authority Board on: May 8, 2019