



Financial Services Audit Committee Communication

Date: April 23, 2021

To: Great Lakes Water Authority Audit Committee

From: Jon Wheatley, Public Finance Manager

Re: Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Amount Not to Exceed \$12,000,000 (Ordinance 2021-02)

Background: Attached is the draft Great Lakes Water Authority ("GLWA") Board letter for the April 28, 2021 Board meeting regarding the Series Ordinance for the proposed Water Supply System State Revolving Fund (SRF) bond issue. The series of bonds authorized by this ordinance will be sold through the state of Michigan's Drinking Water Revolving Fund program (Project #7445-04) and will be used to finance the improvements to the Regional Water System, including improvements to the Northeast Water Transmission Main - Phase 3 (Garland, Hurlbut, Bewick Water Transmission System Rehabilitation), including but not limited to design for the construction of a transmission main from the Northeast Water Treatment Plant to the I-94 expressway.

Key Provisions:

- Not to Exceed Par Amount: \$12,000,000
- Maximum Coupon Rate: 2.50% (Current program rate is 1.875%)
- Bonds will be designated 2021 SRF-1 Junior Lien Bonds
- Bonds will be sold to the Michigan Finance Authority (MFA)

Proposed Action: Audit Committee recommends that the Great Lakes Water Authority Board approve the resolution Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Amount Not to Exceed \$12,000,000 as presented, at its regular meeting on April 28, 2021.