

CLINTON COUNTY BOARD OF COMMISSIONERS

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Vice-Chairperson

Bruce DeLong

Members

David W. Pohl

Kenneth B. Mitchell

Robert Showers

Dwight Washington

Adam C. Stacey

**COURTHOUSE
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Administrator
Ryan L. Wood
Clerk of the Board
Diane Zuker

RESOLUTION 2020-3

NOTICE OF INTENT RESOLUTION
GENERAL OBLIGATION LIMITED TAX BONDS
TO FINANCE CAPITAL IMPROVEMENTS FOR
EMERGENCY 9-1-1 CENTRAL DISPATCH CENTER

A RESOLUTION TO:

- Approve publication of a notice of intent to issue up to \$8,000,000 of bonds to finance capital improvements for the Clinton County Central Dispatch Center.

PREAMBLE

WHEREAS, the County of Clinton, Michigan (the “County”) determines it to be necessary for the public health, safety and welfare of the County and its residents to acquire, install and construct communications equipment and related facility improvements for the Clinton County Emergency 9-1-1 Central Dispatch Center (collectively, the “Capital Improvements”); and

WHEREAS, under the provisions of Section 517 of Act No. 34, Public Acts of Michigan, 2001, as amended (“Act 34”) a county may issue bonds to pay the cost of any capital improvement items within the limitations provided by law; and

WHEREAS, the County wishes to begin proceedings to issue its limited tax general obligation bonds under Section 517 of Act 34 in an amount not to exceed Eight Million Dollars (\$8,000,000) (the “Bonds”) for the purpose of financing costs of acquisition and construction of the Capital Improvements; and

WHEREAS, Section 517 of Act 34 requires that the aggregate outstanding balance of municipal securities issued under Section 517 by a county shall not exceed 5% of the state equalized valuation of the property assessed in that county, and after the issuance of the Bonds the outstanding balance of all municipal securities issued under Section 517 of Act 34 by the County will not exceed this limit; and

WHEREAS, a notice of intent to issue the Bonds must be published in order to comply with the requirements of Section 517 of Act 34; and

WHEREAS, the County intends to pay debt service on the Bonds from monthly surcharges collected on phones and cellular devices under the Emergency 9-1-1 Service Enabling Act, Act No. 32, Public Acts of Michigan, 1986, as amended (the “9-1-1 Act”); and

WHEREAS, the Internal Revenue Service has issued Treasury Regulation Section 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), governing proceeds of debt used for reimbursement, pursuant to which the County must declare official intent to reimburse expenditures with proceeds of such debt before making the expenditures.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The County Clerk is hereby authorized and directed to publish a notice of intent to issue the Bonds in the *Lansing State Journal*, a newspaper of general circulation in the County.

2. The notice of intent shall be published as a one-quarter (1/4) page display advertisement, as required by Act 34, in substantially the following form:

NOTICE TO ELECTORS AND TAXPAYERS
OF THE COUNTY OF CLINTON
OF INTENT TO ISSUE BONDS SECURED BY THE TAXING
POWER OF THE COUNTY AND RIGHT OF REFERENDUM THEREON

PLEASE TAKE NOTICE that the County Board of Commissioners of the County of Clinton, Michigan, intends to issue and sell general obligation capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended, in an amount not to exceed Eight Million Dollars (\$8,000,000) for the purposes of paying costs to acquire, install and construct communications equipment and related facility improvements for the Clinton County Emergency 9-1-1 Central Dispatch Center.

The bonds may be issued in one or more series and may be combined with bonds for other purposes as shall be determined by the County Board of Commissioners. Each series of the bonds will mature in annual installments not to exceed the maximum permitted by law, with interest on the unpaid balance from time to time remaining outstanding on the bonds to be payable at rates to be determined at sale of the bonds but in no event to exceed such rates as may be permitted by law.

SOURCE OF PAYMENT OF BONDS

The County intends to pay the principal on and interest of the bonds from the monthly surcharges collected on phones and cellular devices under the emergency 9-1-1 Act. In case of the insufficiency of such funds, the principal of and interest on the bonds shall be payable from the general funds of the County lawfully available for such purposes including property taxes levied within applicable statutory and constitutional limitations.

RIGHT OF REFERENDUM

THE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A VALID PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OR 15,000 OF THE REGISTERED ELECTORS, WHICHEVER IS LESS, RESIDING WITHIN THE COUNTY, IS FILED WITH THE COUNTY CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS OF THE COUNTY VOTING THEREON.

THIS NOTICE is given pursuant to the requirements of Section 517, Act 34, Public Acts of Michigan, 2001, as amended. Additional information regarding the Capital Improvements to be financed with bond proceeds can be obtained from the office of the Clinton County Administrator.

Diane Zuker
Clinton County Clerk

3. The County Board of Commissioners does hereby determine that the foregoing form of Notice of Intent to Issue Bonds, and the manner of publication directed, is adequate notice to the electors of the County and is the method best calculated to give them notice of the County's intent to issue the Bonds, the purpose of the Bonds, the security for the Bonds, and the right of referendum of the electors with respect thereto, the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed, and the newspaper complies with the requirements of Act No. 247, Public Acts of Michigan, 1963.

4. The County Board of Commissioners does hereby determine that the Bonds will be "qualified obligations" as defined in the 9-1-1 Act because the proceeds of the Bonds will benefit the County and meet all of the following conditions: (a) will be used for capital expenditures for the Emergency 9-1-1 Central Dispatch Center and costs of issuing the Bonds, (b) the weighted average maturity of the Bonds will not exceed the useful life of the capital assets; and (c) the Bonds will not appreciate in principal amount or be sold at a discount of more than 10%. The County hereby pledges the monthly emergency telephone operational surcharges collected under the 9-1-1 Act as security for the payment of the Bonds.

5. The County makes the following declaration of intent for the purpose of complying with the reimbursement rules of Treas. Reg. Section 1.150-2 pursuant to the Internal Revenue Code:

- (a) The County reasonably expects to reimburse itself with proceeds of the bonds for certain costs of the Capital Improvements which will be paid from the general funds of the County.
- (b) The maximum principal amount of debt expected to be issued for the Capital Improvements, including issuance costs, is \$8,000,000.
- (c) A reimbursement allocation of the capital expenditures described above with the proceeds of the bonds will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Capital Improvements is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the County's use of the proceeds of the bonds to reimburse the County for a capital expenditure made pursuant to this resolution.

6. The County hereby requests Miller, Canfield, Paddock and Stone, P.L.C. to continue as bond counsel to the County for the Bonds. The County Board of Commissioners acknowledges that Miller Canfield represents many municipal bond underwriters, banks, and financial institutions in connection with matters unrelated to issuance of the Bonds, and requests Miller Canfield to continue as bond counsel notwithstanding representation by Miller Canfield in matters unrelated to the Bonds of various underwriting firms which might purchase the Bonds.

7. All resolutions and parts of resolutions, insofar as they conflict with the provisions of this resolution, are hereby repealed.

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the County Board of Commissioners of the County of Clinton, State of Michigan, at a Regular meeting held on Thursday, February 25, 2020 at 9:00 o'clock a.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, 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:

Commissioners Kam Washburn, David Pohl, Bruce DeLong, Kenneth B. Mitchell, Robert Showers, Dwight Washington and Adam Stacey and that the following Members were absent: None.

I further certify that Member Stacey moved for adoption of said resolution and that Member Mitchell supported said motion.

I further certify that the following Members voted for adoption of said resolution: Commissioners Showers, Washington, Stacey, Pohl, Mitchell, DeLong and Washburn and that the following Members voted against adoption of said resolution: None.

Diane Zuker, County Clerk