

**SOUTH COUNTY SEWER AND WATER AUTHORITY  
COUNTY OF KALAMAZOO**

**STATE OF MICHIGAN**

Minutes of a regular meeting of the Board of Directors of the South County Sewer and Water Authority, held at Pavilion Township in Scotts, Michigan on the 26th day of November, 2024, at 9:30 a.m. Local Time.

PRESENT: Members: Chairman, John Speeter, Secretary/Treasurer Don Ulsh, Member, Randy Smith

ABSENT: Members: \_\_\_\_\_

The following preamble and resolution was offered by Member John Speeter and seconded by Member Don Ulsh :

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION TO PURCHASE, ACQUIRE AND CONSTRUCT  
IMPROVEMENTS TO THE SOUTH COUNTY SEWER AND WATER AUTHORITY  
SANITARY SEWER SYSTEM, TO AUTHORIZE PUBLICATION OF NOTICE OF  
INTENT TO ISSUE REVENUE BONDS AND TO DECLARE INTENT TO  
REIMBURSE EXPENDITURES FOR PROJECT FROM BOND PROCEEDS**

WHEREAS, the townships of Brady, Pavilion, and Schoolcraft (collectively, the “Constituent Municipalities”) previously adopted articles of incorporation and amendments thereto (collectively, the “Articles”) and established the South County Sewer and Water Authority (the “Authority”) pursuant to and in accordance with Act 233 of the Public Acts of Michigan of 1955, as amended (“Act 233”) for the purpose of owning, operating, maintaining, improving, repairing and replacing water and sewer systems to provide public water and/or sanitary sewer services within all or a portion of some or all of the Constituent Municipalities; and

WHEREAS, this Board of Directors (the “Board”) of the Authority hereby determines that it is necessary for the public health, safety and welfare of the users of the Authority’s sanitary sewer collection and transportation system (the “Sewer System”) to undertake capital

improvements to the Sewer System including, but not limited to, the rehabilitation of the Sprinkle Road manholes; acquisition and installation of new pumps, valves and rails for various pump stations for the Sewer System; the acquisition and installation force main air relief valves; rehabilitation of the wet well for Pump Station No. 5; and related appurtenances, improvements and enhancements (the “Project”); and

WHEREAS, the current estimated maximum cost of the Project, including engineering, construction, legal, financial, and contingency costs is \$975,000; and

WHEREAS, the Authority is authorized by Act 233, the Articles, and the Revenue Bond Act, Act 94 of the Public Acts of Michigan of 1933, as amended (“Act 94”), issue and sell its revenue bonds in one or more series to pay all or part of the cost of the Project; and

WHEREAS, in order to issue revenue bonds pursuant to Act 94, it is necessary to publish a Notice of Intent of the Authority’s intent to issue the Revenue Bonds in the not-to-exceed amount of \$1,050,000 (the “Notice of Intent”); and

WHEREAS, it is anticipated that the Authority will advance a portion of the cost of the Project prior to issuance of the bonds, such advance to be reimbursed, without interest, to the Authority from proceeds of the bonds upon the issuance thereof; and

WHEREAS, Section 1.150-2 of the Treasury Regulations on Income Tax (the “Reimbursement Regulations”) specifies conditions under which a reimbursement allocation may be treated as an expenditure of financing proceeds, and the Authority intends by this resolution to qualify monies advanced by the Authority to the Project for reimbursement from proceeds of the bonds in accordance with the requirements of the Reimbursement Regulations.

NOW, THEREFORE, BE IT HEREBY RESOLVED:

1. The Authority hereby determines to purchase, acquire and construct the Project and to pay for the costs of the Project by the issuance of the Revenue Bonds in one or more series pursuant to Act 94 in the maximum principal amount of \$1,050,000.

2. A Notice of Intent, substantially in the form attached hereto as Exhibit A, shall be published in accordance with Section 33 of Act 94 in the *South County News*, *The Kalamazoo Gazette*, *The Climax Crescent* or such other newspaper of general circulation in the Authority service area and determined by Authority's Executive Director in consultation with legal counsel to be the newspaper reaching the largest number of persons to whom said Notice is directed.

3. The Authority Board does hereby determine that the foregoing form of Notice of Intent to Issue and the manner of publication directed is the method best calculated to give notice to the Authority's sewer system users and the taxpayers and electors of municipalities comprising the Authority of the Authority's intent to issue the Revenue Bonds, the maximum principal amount of bonds to be issued, the purpose of the bonds, the security and source of repayment for the bonds, and the right of referendum relating thereto, and such other information as the Authority Board determines necessary to adequately inform Authority electors of the nature of the Project and the proposed Revenue Bonds.

4. It is reasonably expected that the Authority has advanced, or will advance, funds for the Project prior to issuance of the Revenue Bonds, including items exempt from the Reimbursement Regulations, from monies on hand in the Authority's Sewer Repair and Replacement Fund in the estimated amount of \$100,000.

5. The Authority hereby declares its official intent, and reasonable expectation, to reimburse all or a portion of the amounts so advanced by the Authority for the Project from the proceeds of the Revenue Bonds.

6. All resolutions or portions thereof inconsistent with the provisions of this resolution are hereby rescinded.

YEAS: Members: John Speeter, Don Ulsh, Randy Smith

NAYS: Members: \_\_\_\_\_

ABSENT: Members: \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

Don Ulsh  
Don Ulsh, Secretary/Treasurer

STATE OF MICHIGAN )  
 ) ss.  
COUNTY OF KALAMAZOO )

I, Don Ulsh, the duly qualified and acting Secretary/Treasurer of the South County Sewer and Water Authority, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Board of Directors of the South County Sewer and Water Authority at a special meeting thereof held on the 26th day of November, 2024, the original of which is on file in my office. Public notice of said meeting was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan, 1976, as amended, including in the case of a special or rescheduled meeting, notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.

IN WITNESS WHEREOF, I have affixed my official signature this 26 day of November, 2024.

Don Ulsh  
Don Ulsh, Secretary/Treasurer

## **EXHIBIT A**

### **NOTICE TO ELECTORS AND TAXPAYERS OF THE TOWNSHIPS OF BRADY, PAVILION AND SCHOOLCRAFT OF THE SOUTH COUNTY SEWER AND WATER AUTHORITY'S INTENT TO ISSUE REVENUE BONDS AND THE RIGHT OF REFERENDUM RELATING THERETO**

PLEASE TAKE NOTICE THAT THE SOUTH COUNTY SEWER AND WATER AUTHORITY intends to issue revenue bonds in a maximum amount not to exceed \$1,050,000 as set forth in this notice.

#### **PURPOSE**

The Bonds shall be issued for the purpose of defraying all or part of the cost of capital improvements to the Authority's sewer system (the "Sewer System") including, but not limited to, the rehabilitation of the Sprinkle Road manholes; acquisition and installation of new pumps, valves and rails for various pump stations for the Sewer System; the acquisition and installation force main air relief valves; rehabilitation of the wet well for Pump Station No. 5; related appurtenances, improvements and enhancements; and the expenses of Authority engineering, legal and financial consultants (the "Project").

#### **ESTIMATED PROJECT COST**

The total estimated cost of the Project is \$975,000. The cost of the Project shall be paid from the proposed Bonds to be issued pursuant to and in accordance with Act 94 of the Public Acts of Michigan of 1933, as amended ("Act 94"), in a not to exceed amount of \$1,050,000.

#### **MAXIMUM AMOUNT AND TERMS OF REPAYMENT**

The Bonds to be issued in one or more series in a maximum aggregate amount not to exceed \$1,050,000, shall mature serially with interest on the unpaid balance at a rate which shall not exceed the maximum rate of interest allowed by law and shall be repaid over a term not to exceed the maximum term permitted by law. The Bonds shall be issued pursuant to Act 94.

#### **SOURCE OF PAYMENT OF BONDS**

The principal of and interest on the Bonds shall be payable from the revenues received by the Authority from the operation of the Authority's sanitary sewer system and from other legally available funds. The revenues will be derived from rates and charges billed to the users of the System, a schedule of which is presently on file in the office of the Authority. Said rates and charges may be revised from time to time to provide sufficient revenues to provide for the expenses of operating and maintaining the System, to pay the principal of and interest on the proposed bonds and to pay other obligations of the System.

The Revenue Bonds will NOT be secured by the Full Faith and Credit of the townships of Brady, Pavilion, or Schoolcraft, or the Authority and will NOT be a General Obligation of the townships of Brady, Pavilion, or Schoolcraft, or the Authority.

## **RIGHT OF REFERENDUM**

THE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS APPROVING THE BONDS, UNLESS, WITHIN 45 DAYS FROM THE DATE OF PUBLICATION OF THIS NOTICE OF INTENT, A PETITION, SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS RESIDING WITHIN THE LIMITS OF THE TOWNSHIPS OF BRADY, PAVILION, AND SCHOOLCRAFT, SHALL HAVE BEEN FILED WITH THE AUTHORITY SECRETARY REQUESTING A REFERENDUM UPON THE QUESTION OF THE ISSUANCE OF THE BONDS. IF PETITIONS ARE SO FILED, THE BONDS SHALL NOT BE ISSUED UNTIL APPROVED BY THE VOTE OF A MAJORITY OF ALL OF THE ELECTORS OF THE TOWNSHIPS OF BRADY, PAVILION, AND SCHOOLCRAFT QUALIFIED TO VOTE AND VOTING ON THE ISSUANCE OF THE BONDS AT A GENERAL OR SPECIAL ELECTION.

This Notice is published pursuant to the requirements of Section 33 of Act 94 of the Public Acts of Michigan of 1933, as amended, and was approved by the Authority Board of the South County Sewer and Water Authority on November 26, 2024.

Don Ulsh, Secretary/Treasurer  
South County Sewer and Water Authority