

**RESOLUTION SUBMITTING
JAIL AND COUNTY BUILDING IMPROVEMENT BOND
PROPOSAL**

**COUNTY OF HOUGHTON
State of Michigan
Resolution #25-007**

Minutes of a regular meeting of the County Board of Commissioners of the County of Houghton, State of Michigan (the "County"), held on May 13, 2025, at 10:00 a.m., Eastern Daylight Time.

PRESENT: Commissioners: Tikkanen, Keranen, Anderson, Janssen, Britz.

ABSENT: Commissioners: None.

The following preamble and resolution were offered by Commissioner Anderson and supported by Commissioner Janssen.

WHEREAS, the County Board of Commissioners (the "County Board") of the County of Houghton, Michigan (the "County"), has determined that it is necessary for the health, safety and welfare of the County and its residents and property owners that the County acquire, construct, furnish and equip new county jail facilities, and remodel, re-construct, renovate, furnish and equip existing county buildings, including interests in land, site improvements, and parking improvements, together with rights-of-way, appurtenances and attachments thereto, and demolition of existing buildings (the "Projects"); and

WHEREAS, the County Board has determined that the County should borrow money in an amount not to exceed Thirty-Two Million Dollars (\$32,000,000), and issue general obligation unlimited tax bonds of the County in such amount, in one or more series (the "Bonds"), for the purpose of paying all or part of the cost of the Project; and

WHEREAS, the County Board has determined that a proposal to issue the Bonds for the Project shall be submitted to the qualified electors of the County at an election to be held in the County on Tuesday, August 5, 2025 (the "Election Date"); and

WHEREAS, in order for the bond proposal to be submitted to the qualified electors, it is necessary for the County Board to certify the ballot wording of the proposal to the County Clerk as required by Act 116, Public Acts of Michigan, 1954, as amended (the "Michigan Election Law").

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The bond proposal attached hereto as Exhibit A (the "Bond Proposal") shall be submitted to a vote of the qualified electors of the County on the Election Date.

2. The ballot wording of the Bond Proposal is hereby certified to the County Clerk for submission to the County's electors on the Election Date. The County Clerk is hereby authorized and directed to file this Resolution and/or complete any such forms, certificates or documents as may be required by the County Clerk to evidence the foregoing certification and/or submission by no later than Tuesday, May 13, 2025.

3. The County Clerk is hereby directed to (a) post and publish notice of the last day of registration and notice of the election as required by the Michigan Election Law; and (b) have prepared and printed, as provided by the Michigan Election Law, ballots for submitting the Bond Proposal at the election, which ballots shall contain the proposal appearing herein, or the proposition shall be stated as a proposal on the voting machines, which ballots may include other matters presented to the electorate on the same date.

4. The estimated millage rate in the first year and simple average annual millage rate set forth in the Bond Proposal, which have been prepared for the County by Robert W. Baird & Co. Incorporated, financial advisors to the County, are reasonable estimates of such millage rates based on current assumptions.

5. The County may incur expenditures for the Project prior to receipt of proceeds of the Bonds and may advance monies for that purpose from funds available to the County, to be reimbursed from proceeds of the Bonds when available. The County makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) If the ballot proposal is approved by the electors, the County reasonably expects to reimburse itself with proceeds of the Bonds for certain costs of the Project which were paid or will be paid from available funds of the County subsequent to sixty (60) days prior to today.
- (b) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$32,000,000.
- (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 Project 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. Miller, Canfield, Paddock and Stone, P.L.C. is hereby approved as bond counsel for the Bonds.

7. Robert W. Baird & Co., Incorporated is hereby approved as registered municipal advisor for the Bonds.

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

AYES: Commissioners: Anderson, Janssen, Tikkanen, Britz (4)

NAYS: Commissioners: Keranen (1)

RESOLUTION DECLARED ADOPTED.


Tom Tikkanen
Chairman

I HEREBY CERTIFY that the attached is a true and complete copy of a resolution adopted by the County Board of Commissioners of the County of Houghton, State of Michigan, at a regular meeting held on May 13, 2025 and that the meeting was conducted and public notice of the meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

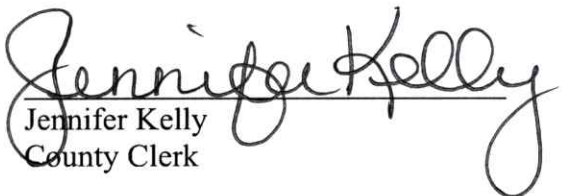

Jennifer Kelly
County Clerk

EXHIBIT A

COUNTY JAIL AND COUNTY BUILDING IMPROVEMENT BOND PROPOSAL

Shall the County of Houghton, Michigan, borrow the principal sum of not to exceed Thirty-Two Million Dollars (\$32,000,000) and issue its general obligation unlimited tax bonds, in one or more series, payable in not to exceed thirty (30) years from the date of issuance of each series, for the purpose of paying all or part of the costs to acquire, construct, furnish and equip new county jail facilities, and remodel, re-construct, renovate, furnish and equip existing county buildings, including interests in land, site improvements, and parking improvements, together with rights-of-way, appurtenances and attachments thereto, and demolition of existing buildings?

YES ☐

NO ☐

If approved, the estimated millage to be levied in the first year of the levy in 2026 is 1.60 mills (\$1.60 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 1.60 mills (\$1.60 per \$1,000 of taxable value).