

## **OFFICIAL NOTICE OF SALE**

**\$7,220,000\***

**\*(Subject to adjustment as described below)**

**RAYNER CREEK DRAIN DRAINAGE DISTRICT  
(County of Ingham, State of Michigan)  
DRAIN BONDS, SERIES 2025  
(GENERAL OBLIGATION LIMITED TAX)**

BIDS for the purchase of the above bonds (the “**Bonds**”) will be received by an agent of the undersigned on August 27, 2025, until 10:00 a.m., prevailing Eastern Time, at the Municipal Advisory Council of Michigan (the “**MAC**”), at which time they will be read. Bids may be submitted to the MAC by email only at [munibids@macmi.com](mailto:munibids@macmi.com). No bid will be received after the time for receiving bids specified above, and the bidder bears all risks of transmission failure.

IN THE ALTERNATIVE: Bids may be submitted electronically via PARITY pursuant to this Notice on the same date and until the same time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice, the terms of this Notice shall control. For further information about PARITY, potential bidders may contact PFM Financial Advisors LLC (the “**Municipal Advisor**”) at (734) 994-9700 or PARITY at (212) 849-5021.

BOND DETAILS: The Bonds will be fully registered bonds of the denomination of \$5,000 each or any integral multiple thereof not exceeding the aggregate principal amount for each maturity at the option of the purchaser thereof, dated the date of delivery thereof, and will bear interest from their date payable on May 1, 2026, and semiannually thereafter.

The Bonds will mature on the first day of May as follows (provided, however, that the amounts set forth below may be adjusted as described under “**ADJUSTMENT IN PRINCIPAL AMOUNT**” herein):

<b><u>Year</u></b>	<b><u>Principal Amount</u></b>	<b><u>Year</u></b>	<b><u>Principal Amount</u></b>
2026	\$360,000	2036	\$360,000
2027	360,000	2037	360,000
2028	360,000	2038	360,000
2029	360,000	2039	360,000
2030	360,000	2040	360,000
2031	360,000	2041	360,000
2032	360,000	2042	365,000
2033	360,000	2043	365,000
2034	360,000	2044	365,000
2035	360,000	2045	365,000

TERM BOND OPTION: Bidders shall have the option of designating bonds as serial bonds or term bonds, or both. The bid must designate whether each of the principal amounts shown above

represents a serial maturity or a mandatory redemption requirement for a term bond maturity. There may be more than one term bond designated. In any event, the above principal amount scheduled for the years shown above shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both. Any such designation must be made at the time bids are submitted.

#### PRIOR REDEMPTION:

A. Mandatory Redemption. Bonds designated as term bonds shall be subject to mandatory redemption at par and accrued interest on the dates and in the amounts corresponding to the annual principal maturities herein before set forth. The bonds or portions of bonds to be redeemed shall be selected by lot.

B. Optional Redemption. Bonds maturing on or prior to May 1, 2031, inclusive, are not subject to redemption prior to maturity. Bonds or portions of Bonds in multiples of \$5,000 of this issue maturing on and after May 1, 2032, are subject to redemption prior to maturity, at the option of the Rayner Creek Drain Drainage District (the “**Drainage District**”), in such order as determined by the Drainage District, in whole or in part, on any date, on and after May 1, 2031, by lot within a maturity, at the par value of the bond or portion of the bond called to be redeemed, plus accrued interest to the redemption date, but without premium.

C. Notice of Redemption. Not less than thirty days' notice of redemption shall be given by first-class mail to the registered owner at the registered address. Failure to receive notice of redemption shall not affect the validity of the proceedings for redemption. Bonds or portions of bonds called for redemption shall not bear interest after the redemption date, provided, funds are on hand with the bond registrar and paying agent to redeem the bonds called for redemption.

INTEREST RATE AND BIDDING DETAILS: The Bonds shall bear interest at a rate or rates not exceeding 5.00% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/100 of 1%, or both. The interest on any one bond shall be at one rate only, and all Bonds maturing in any one year must carry the same interest rate. No maturity of the bonds may have an initial offering price to the public less than 98.5% of par. No proposal for the purchase of less than all of the Bonds or at a price less than 99.5% or more than 106% of their par value will be considered.

BOOK-ENTRY ONLY: At the option of the purchaser, the Bonds will be issued in book-entry-only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“**DTC**”), New York, New York. DTC will act as securities depository for the Bonds. Purchase of the Bonds will be made in book-entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. The book-entry-only system is described further in the preliminary official statement for the Bonds. If requested by the purchaser of the Bonds and determined by an Authorized Officer of the Drainage District, the Bonds may be issued in the form of a single Bond with an exhibit containing the principal maturity amounts and applicable interest rates and due dates.

BOND REGISTRAR AND PAYING AGENT: The Bonds shall be payable as to principal in lawful money of the United States upon surrender thereof at the corporate trust office of The Huntington National Bank, Grand Rapids, Michigan, the bond registrar and paying agent. Interest shall be paid to the registered owner of each bond as shown on the registration books at the close of business on the 15<sup>th</sup> day of the calendar month preceding the month in which the interest payment is due. Interest shall be paid when due by check or draft drawn upon and mailed by the bond registrar and paying agent to the registered owner at the registered address. As long as DTC, or its nominee Cede & Co., is the registered owner of the Bonds, payments will be made directly to such registered owner. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the Bonds is the responsibility of DTC participants and indirect participants as described in the preliminary official statement for the Bonds. The Drainage District may from time to time as required designate a successor bond registrar and paying agent. Alternatively, an authorized officer of the Drainage District may serve as bond registrar and paying agent for the Bonds.

PURPOSE AND SECURITY: The Bonds are to be issued pursuant to the provisions of Act 40, Public Acts of Michigan, 1956, as amended, to defray part of the cost of constructing improvements to the Rayner Creek Drain. The Bonds are to be issued in anticipation of, and the principal and interest thereon are primarily payable from, collections of special assessments assessed against public corporations and property in the Drainage District and the interest thereon. The full faith and credit of the Drainage District have been pledged for the prompt payment of the Bonds and the interest thereon as the same become due.

FULL FAITH AND CREDIT OF COUNTY: Pursuant to a resolution adopted by its Board of Commissioners, the County of Ingham (the “**County**”) has pledged its full faith and credit as additional security for the payment of the principal of and interest on the Bonds. In the event and to the extent that moneys required to pay such principal and interest are not collected from the aforementioned special assessments, the County is obligated to advance from its general fund moneys sufficient to pay such principal and interest. The County’s ability to raise such funds is subject to constitutional and statutory limitations on the taxing power of the County.

ADJUSTMENT IN PRINCIPAL AMOUNT: Following receipt of bids and prior to final award, the Drainage District reserves the right to increase or decrease the principal amount of the bonds. Such adjustment, if necessary, will be made in increments of \$5,000, and may be made in one or more maturities. The purchase price will be adjusted proportionately to the increase or decrease in the principal amount of the bonds, but the interest rates specified by the successful bidder will not change. The successful bidder may not withdraw its bid as a result of any changes made as provided in this paragraph.

GOOD FAITH: A good faith deposit will not be required from the successful bidder.

AWARD OF BONDS: The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost to the Drainage District. True interest cost shall be computed by determining the annual interest rate (compounded semiannually) necessary to discount the debt service payments on the Bonds from the payment dates thereof to September 11, 2025, and to the price bid.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of McIntyre Law Group PLLC, attorneys of Lansing, Michigan, the original of which will be furnished without expense to the purchaser of the Bonds at the delivery thereof. The fees of McIntyre Law Group PLLC for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the above Bonds, McIntyre Law Group PLLC has made no inquiry as to any financial information, statements, or materials contained in any financial documents, statements, or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial information, statements or materials. By submitting a bid, the bidder consents to the engagement of McIntyre Law Group PLLC as bond counsel to the Drainage District, notwithstanding any representation of the bidder by such firm in matters unrelated to the issuance of the Bonds.

TAX MATTERS: The approving opinion of bond counsel will include an opinion to the effect that under existing law, as enacted and construed on the date of the initial delivery of the Bonds, the interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “**Code**”). Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the federal corporate alternative minimum tax under Section 55 of the Code. The opinion set forth above will be subject to the condition that the Drainage District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Drainage District has covenanted to comply with all such requirements. Bond counsel will express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The Drainage District has designated the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

If the winning bidder will obtain a municipal bond insurance policy or other credit enhancement for the bonds in connection with their original issuance at its expense, the winning bidder will be required, as a condition of delivery of the bonds, to certify that the premium therefor will be less than the present value of the interest expected to be saved as a result of such insurance or other credit enhancement. The form of an acceptable certificate will be provided by bond counsel.

In addition, the approving opinion of bond counsel will include an opinion to the effect that under existing law, as enacted and construed on the date of the initial delivery of the Bonds, the Bonds and the interest thereon are exempt from all taxation by the State of Michigan or a political subdivision thereof, except estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

ISSUE PRICE: The winning bidder shall assist the Drainage District in establishing the issue price of the bonds and shall execute and deliver to the Drainage District at Closing an “issue

price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the bonds, together with the supporting pricing wires or equivalent communications, substantially in the form provided by Bond Counsel, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Drainage District and Bond Counsel. All actions to be taken by the Drainage District under this Notice of Sale to establish the issue price of the bonds may be taken on behalf of the Drainage District by the Municipal Advisor and any notice or report to be provided to the Drainage District may be provided to the Drainage District’s Municipal Advisor.

The Drainage District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the bonds) will apply to the initial sale of the bonds (the “competitive sale requirements”) because:

(1) the Drainage District is disseminating this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(2) all bidders shall have an equal opportunity to bid;

(3) the Drainage District anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the Drainage District anticipates awarding the sale of the bonds to the bidder who submits a firm offer to purchase the bonds at the lowest true interest cost, as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the bonds, as specified in the bid.

In the event that competitive sale requirements are satisfied, the winning bidder shall be expected to certify as to the reasonably expected initial offering price of the bonds to the public.

In the event that the competitive sale requirements are not satisfied, the Drainage District shall so advise the winning bidder. The Drainage District shall treat (i) the first price at which 10% of a maturity of the bonds (the “10% test”) is sold to the public as of the sale date as the issue price of that maturity and (ii) the initial offering price to the public as of the sale date of any maturity of the bonds not satisfying the 10% test as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Drainage District if any maturity of the bonds satisfies the 10% test as of the date and time of the award of the bonds. Any maturity of the bonds (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity) that does not satisfy the 10% test as of the date and time of the award of the bonds shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that any maturity of the bonds is subject to the hold-the-offering-price rule. Bidders should prepare their bids on the assumption that some or all of the maturities of the bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the bonds.

By submitting a bid, each bidder confirms that, except as otherwise provided in its bid, it has an established industry reputation for underwriting new issuances of municipal bonds, and, further, the winning bidder shall (i) confirm that the underwriters have offered or will offer the bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the bonds, that the underwriters will neither offer nor sell unsold bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the Drainage District when the underwriters have sold 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the sale date.

The Drainage District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The Drainage District further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to comply with the hold-the-offering-price rule if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party

distribution agreement to be employed in connection with the initial sale of the bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to comply with the hold-the-offering-price rule if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Drainage District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the bonds to the public),

(iii) a purchaser of any of the bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date that the bonds are awarded by the Drainage District to the winning bidder.

**OFFICIAL STATEMENT:** A copy of the Drainage District’s preliminary official statement relating to the bonds may be obtained by contacting the Municipal Advisor at the address referred to below. The preliminary official statement is in a form deemed final by the Drainage District for purposes of paragraph (b)(1) of SEC Rule 15c2-12 (the “**Rule**”), but is subject to revision, amendment and completion in a final official statement.

After the award of the bonds, the Municipal Advisor will provide the winning bidder with an electronic version of the final official statement, as that term is defined in paragraph (f)(3) of the Rule, within 7 business days from the date of the sale to enable the successful bidder or bidders to comply with paragraphs (b)(3) and (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board. Copies of the final official statement will be supplied by the Municipal Advisor, upon request and agreement by the purchaser to pay the cost of the copies.

Requests for copies should be made to the Municipal Advisor at the address set forth below within 24 hours of the award of the bonds.

CONTINUING DISCLOSURE: In order to assist bidders in complying with paragraph (b)(5) of the Rule, the County and City of Mason will undertake, pursuant to a resolution adopted by each respective governing body and continuing disclosure certificates, to provide annual reports and notices of certain events. A description of these undertakings is set forth in the preliminary official statement and will also be set forth in the final official statement.

CUSIP: It is anticipated that CUSIP numbers will be printed on the Bonds at the option of the Purchaser, but neither the failure to print CUSIP numbers nor any improperly printed CUSIP numbers shall be cause for the Purchaser to refuse to take delivery of and pay the purchase price for the Bonds. The CUSIP Service Bureau's charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

BIDDER CERTIFICATION: NOT "IRAN-LINKED BUSINESS": By submitting a bid, the bidder shall be deemed to have certified that it is not an "Iran-Linked Business" as defined in Act 517, Public Acts of Michigan, 2012; MCL 129.311 *et seq.*

DELIVERY OF BONDS: The Drainage District will furnish Bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser through DTC. The usual closing documents including a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of the delivery of the Bonds. If the Bonds are not tendered for delivery by twelve o'clock noon, prevailing Eastern Time, on the 45<sup>th</sup> day following the date of sale, or the first business day thereafter if said 45<sup>th</sup> day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the Bonds, withdraw his or her proposal by serving notice of cancellation, in writing, on the undersigned. Payment for the Bonds shall be made in Federal Reserve Funds.

REGISTERED MUNICIPAL ADVISOR: Further information with respect to the Bonds may be obtained from the Drainage District's Registered Municipal Advisor, PFM Financial Advisors LLC, 555 Briarwood Circle, Suite 333, Ann Arbor, Michigan 48108, Telephone (734) 994-9700, Fax (734) 994-9710.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Patrick E. Lindemann, Drain Commissioner  
County of Ingham