

SHARON TOWNSHIP BROADBAND BOND PROPOSAL

Shall the Township of Sharon, County of Washtenaw, Michigan, borrow the principal sum of not to exceed Four Million Nine Hundred Thousand Dollars (\$4,900,000) and issue its general obligation unlimited tax bonds, in one or more series, payable in not to exceed Twenty (20) years from the date of issuance of each series, for the purpose of paying the cost to acquire, construct, furnish, and equip a broadband provisioning system to provide broadband internet service in the Township, including high-speed fiber optic infrastructure, service lines, and necessary electronic equipment and building improvements, together with necessary interests in land, rights-of-way, appurtenances and attachments thereto?

Yes

No

The estimated millage to be levied in 2018 is 3.2583 mills (\$3.2583 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 3.2518 mills (\$3.2518 per \$1,000 of taxable value).

A MESSAGE FROM YOUR SHARON TOWNSHIP BOARD:

The approval of this Broadband Bond Proposal would authorize the Township Board to borrow a principal sum of NO MORE THAN (\$4,900,000) Four Million Nine Hundred Thousand Dollars.

If the Township Board finds that this project will cost LESS, they can DECREASE the principal amount to be borrowed and DECREASE the millage rate accordingly. The bonds may not be issued in an amount greater than is required to pay the costs of the broadband project, legal, engineering and financing costs.

There is NO GUARANTEE that if this BOND PROPOSAL passes that this project will move forward. First, the Township Board needs authorization to spend funds to move forward, the Board will then begin the bid process for the engineering and construction of the infrastructure. If these bids come back HIGHER than \$4.9 million dollars, as estimated by the Professional Feasibility study, then the project CANNOT move forward until the costs are brought DOWN to \$4.9 million, as the Voters will have only approved the borrowing of \$4.9 million. THE TOWNSHIP BOARD CANNOT BORROW MORE than the Voters have approved.

This type of Bond has a call-out period of 10 years- meaning, if the Township gains the funds to pay off the Bond in the next 10 years- we have the right to do so. This **could eliminate** eliminates the fear of “being locked into 20 years” -although the full 20 year payout is possible- it is not a guarantee. Funds to pay off the bond may come in a variety of ways, possible examples being- future grants the Township may be eligible for or possible future Local, State or Federal Funding.

If this Broadband Bond Proposal is not approved, the Township Board cannot borrow the principal sum being requested for this project and the Board will go back to looking for the next best possible option for Sharon Township and its residents.

Please contact Supervisor Psarouthakis with any questions at sharonsupervisor@gmail.com

-original post 2/22/18, amended 3/6/18