

RESOLUTION 17-45

**County Board of Commissioners
County of St. Clair, State of Michigan**

**RESOLUTION PLEDGING FULL FAITH AND CREDIT
FOR THE STOCKS CREEK AND BRANCHES DRAIN DRAINAGE DISTRICT
DRAINAGE DISTRICT BONDS, SERIES 2018
(GENERAL OBLIGATION LIMITED TAX)**

A RESOLUTION TO PROVIDE FOR:

- County Pledge of Full Faith and Credit as secondary security for Drainage District Bonds.

WHEREAS, the Stocks Creek and Branches Drain Drainage District (the "Drainage District") has previously been established as an intra-county drain within the County of St. Clair (the "County"), pursuant to the provisions of Act 40, Public Acts of Michigan, 1956, as amended (the "Drain Code"); and

WHEREAS, the County hereby determines that improvements to the Stocks Creek and Branches Drain (the "Project") are necessary for the protection of the public health; and

WHEREAS, pursuant to the Drain Code, the Drain Commissioner of the County (the "Drain Commissioner") is in the process of preparing a roll providing for assessments (the "Assessments") to be levied in the Drainage District to pay for the construction and financing of the Project; and

WHEREAS, the Assessments shall be paid by Kimball Township, Clyde Township, the County, the Michigan Department of Transportation, and the benefited lands, according to apportionments to be determined by the Drain Commissioner acting pursuant to the Drain Code, in annual principal installments over a period of not to exceed 20 years as determined by the Drain Commissioner, with interest thereon at such interest rate as shall be calculated to be sufficient to pay interest on any bonds to be payable from the Assessments; and

WHEREAS, the Drain Commissioner, by order, will authorize the issuance of bonds by the Drainage District to be designated as the Drainage District Bonds, Series 2018 (General Obligation Limited Tax) in the aggregate principal amount of not-to-exceed \$3,900,000 (the "Bonds") in anticipation of the payment of the Assessments; and

WHEREAS, the Drain Code authorizes the County to pledge its full faith and credit for the payment of the Bonds if the Board of Commissioners of the County has adopted a resolution by a majority vote of its total membership; and

WHEREAS, it is in the best interest of the County that the Bonds be secured by a pledge of the full faith and credit of the County as authorized by Section 276 of the Drain Code in order that the Bonds may be sold at the lowest and most favorable interest cost.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY, AS FOLLOWS:

1. Public Purpose; Full Faith and Credit Pledge of County. The Board of Commissioners of the County does hereby determine that the Project is necessary for the protection of the public health, safety and welfare of the County and its residents. Pursuant to the authorization provided in the Drain Code, the Board of Commissioners of the County does hereby irrevocably pledge the full faith and credit of the County for the prompt payment of the principal of and interest on the Bonds when due, and pursuant to said pledge, in the event that the collection of the Assessments is insufficient to pay the Bonds or the interest thereon when due, the amount unpaid shall be promptly advanced from County funds as a first budget obligation, and the County Treasurer is directed to immediately make such advancement to the extent necessary.

2. Reimbursement of Advance from Assessment Roll. In the event that pursuant to the pledge of its full faith and credit the County advances out of County funds all or any part of the principal of and interest on the Bonds, it shall be the duty of the County Treasurer and the Drain Commissioner, for and on behalf of the County, to take all actions and proceedings and pursue all remedies permitted or authorized by law for the enforcement and collection of the Assessments, and the reimbursement of such advances so paid by the County, including without limitation the reassessment by the Drain Commissioner of the assessment roll as provided in Section 276 of the Drain Code.

3. Tax Covenant. To the extent permitted by law, the County shall take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from adjusted gross income for general federal income tax purposes under the Internal Revenue Code of 1986, as amended, including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure of proceeds of the Bonds and moneys deemed to be proceeds of the Bonds.

4. Application to Michigan Department of Treasury. The County Administrator, Drain Commissioner, Deputy Drain Commissioner or other appropriate official are each hereby authorized to complete, execute and file any and all applications or requests for waivers with the Michigan Department of Treasury necessary to effectuate the sale and delivery of the Bonds, including, if necessary, an application for prior approval to the Bonds, and to pay any necessary fees.

5. Official Statement and Continuing Disclosure. The County hereby agrees to cooperate in preparation of preliminary and final official statements or other marketing circular describing the Bonds, and in any application for bond ratings and municipal bond insurance for the Bonds. The County hereby agrees to enter into a Continuing Disclosure Undertaking in order to enable the underwriters of the Bonds to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission. The County Administrator, Drain Commissioner or Deputy Drain Commissioner are each individually authorized to offer such assistance and to execute and deliver final official statements, or other marketing circulars, and a Continuing Disclosure Undertaking.

6. Act 34 Notice Posting. The County hereby confirms that the posting required pursuant to Act 34, Public Acts of Michigan, 2001, as amended, as set forth in Exhibit A attached hereto, was done in due time and form as required by said act.

7. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby repealed. This resolution shall become effective immediately upon its passage.

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 St. Clair, Michigan at a Regular meeting held on Thursday, December 14, 2017 at 6:00 p.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 Notice of this meeting was posted pursuant to the requirements of Section 308, Act 34, Public Acts of Michigan, 2001, as amended, not less than 24 hours prior to the meeting, in the form attached hereto as Exhibit A.

I further certify that the following Members were present at said meeting: McConnell, Tomion, Heideman, Bohm, Dunn, Rusting, Grapp
and that the following Members were absent: NONE

I further certify that Member Grapp moved for adoption of said resolution and that Member Dunn supported said motion.

I further certify that the following Members voted for adoption of said resolution: McConnell, Tomion, Heideman, Bohm, Dunn, Rusting, Grapp
and that the following Members voted against adoption of said resolution: NONE

I further certify that the Members voting for adoption of said resolution constitute at least a majority of the total membership of the Board of Commissioners.

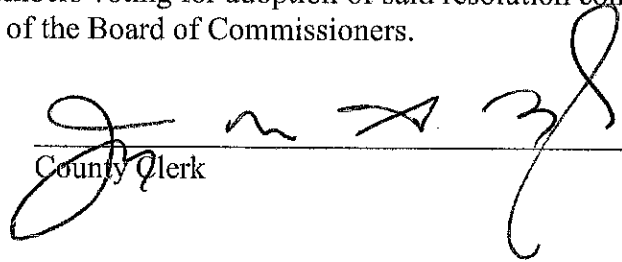

County Clerk

EXHIBIT A
Form of Notice pursuant to Section 308, Act 34,
Public Acts of Michigan, 2001, as amended

MEETING NOTICE
County Board of Commissioners
County of St. Clair, State of Michigan

At the Regular meeting of the County Board of Commissioners of the County of St. Clair, Michigan to be held on Thursday, December 14, 2017 at 6:00 p.m. Eastern Time, at the Board of Commissioners' Room on the 2nd Floor of the County Administrative Building, 200 Grand River Avenue, Port Huron, Michigan, the Board of Commissioners will consider a resolution relating to issuance of bonds by the Stocks Creek and Branches Drain Drainage District in the amount of not-to-exceed \$3,900,000. If the bonds are issued, the bonds will contain a limited tax full faith and credit pledge of the County.

If the bonds are issued, it is anticipated that the bonds will be paid from assessments levied within the Stocks Creek and Branches Drain Drainage District.

THIS NOTICE is given pursuant to the requirements of Section 308, Act 34, Public Acts of Michigan, 2001, as amended.