

RESOLUTION 11-14
RESOLUTION PLEDGING FULL FAITH AND CREDIT
FOR THE PELTON DRAIN DRAINAGE DISTRICT
2011 DRAINAGE DISTRICT BONDS

County of St. Clair
State of Michigan

WHEREAS, Act 40, Public Acts of Michigan, 1956, as amended (the "Drain Code"), authorizes any county to pledge its full faith and credit for the payment of bonds issued thereunder, if the Board of Commissioners of the county has adopted a resolution by a majority vote of its members-elect to that effect; and

WHEREAS, pursuant to the Drain Code proceedings are being undertaken by the St. Clair County Drain Commissioner for the construction and financing of improvements to the county drain in the drainage district designated as the Pelton Drain Drainage District, said improvements having been determined to be necessary for the public health; and

WHEREAS, pursuant to said proceedings, a special assessment roll has been or will be prepared and duly confirmed by the Drain Commissioner prior to the issuance of any obligations under the Drain Code as described below in the aggregate principal amount of not to exceed \$1,310,000, being the amount of the total estimated financed share cost of the improvements, which assessments are payable in annual installments to be determined by the Drain Commissioner over a period of thirty (30) years, by the Townships of Ira and Casco, the State of Michigan, the County of St. Clair, and benefited lands, according to apportionments to be duly determined by the Drain Commissioner acting pursuant to Section 262 of the Drain Code, said installments bearing interest not exceeding the maximum permitted by the Drain Code and calculated to be sufficient as may be necessary to pay interest on obligations payable therefrom; and

WHEREAS, pursuant to the authorization provided in the Drain Code, the Drain Commissioner, by order, will authorize and provide for the issuance of bonds by the Pelton Drain Drainage District payable from the collection of said special assessments against the Townships of Ira and Casco, the State of Michigan, the County of St. Clair and the benefited lands on said roll, said bonds being designated 2011 DRAINAGE DISTRICT BONDS (GENERAL OBLIGATION LIMITED TAX) (the "Bonds"), in the aggregate principal amount of not to exceed \$1,310,000, to provide funds to pay all or part of the costs of the improvements; and

WHEREAS, said drainage improvements are immediately necessary to protect and preserve the public health, and it is to the best interest of the County of St. Clair (the "County") that the Bonds, in order to be sold at the lowest and most favorable interest cost possible to obtain, be secured by a pledge of the full faith and credit of the County as authorized by Section 276 of the Drain Code.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF ST. CLAIR, MICHIGAN:

1. Full Faith and Credit Pledge of County. 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 special assessments on the roll 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.

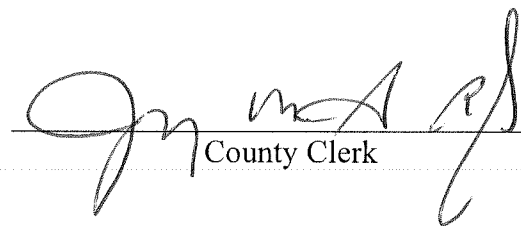
2. Reimbursement of Advance from Special Assessment Roll. In the event that pursuant to said pledge of its full faith and credit the County advances out of County funds all or any part of said installments and interest, it shall be the duty of the County Treasurer, for and on behalf of the County, to take all actions and proceedings and pursue all remedies permitted or authorized by law for the reimbursement of such sums so paid, including without limitation the reassessment by the Drain Commissioner of the special 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 (the "Code"), including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure of Bond proceeds and moneys deemed to be Bond proceeds.

4. Continuing Disclosure Undertaking. To the extent required pursuant to Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"), the County shall enter into an undertaking (the "Undertaking") for the benefit of the holders and beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to certain information repositories pursuant to the requirements of the Rule. The County Treasurer, the County Administrator/Controller, the Deputy Controller and Finance Director are each authorized to execute and deliver the Undertaking in such form as is required pursuant to the Rule.

5. Rescission. That all resolutions and parts of resolution insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

RESOLUTION DECLARED ADOPTED


County Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Commissioners of the County of St. Clair, Michigan, at its regular meeting held on July 20, 2011 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting 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.

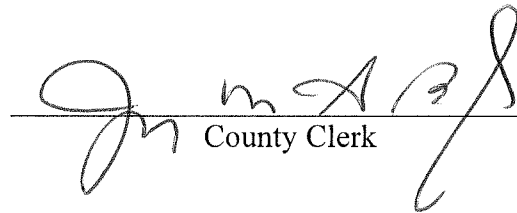
I further certify that notice of the aforesaid meeting held on July 20, 2011, contained or was accompanied by a notice that stated that the drainage district bonds to be issued by the Pelton Drain Drainage District to pay part of the cost of improvements to the Pelton Drain will each include a limited tax full faith and credit pledge of the County of St. Clair.

I further certify that the following Commissioners were present at said meeting: Simasko, Heidemann, Gratopp, London, Rushing, Ward, and Bohm

and that the following Commissioners were absent: None.

I further certify that Commissioner Simasko moved adoption of said resolution and that Commissioner London supported said motion.

I further certify that the following Commissioners voted for adoption of said resolution: Simasko, Heidemann, Gratopp, London, Rushing, Ward, and Bohm, and that the following Commissioners voted against adoption of said resolution: None.


County Clerk

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