

RESOLUTIONS 1999

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99-57 OPPOSING NON RESIDENTS RIGHT TO VOTE

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BUDGETS & AMENDING THE 1999 GENERAL FUND, SPECIAL REVENUE AND
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EXHIBIT 2C:
BASIC PLAN DOCUMENT

ICMA RETIREMENT CORPORATION

PROTOTYPE MONEY PURCHASE
PLAN & TRUST
BASIC DOCUMENT 001

MPP 12/23/94
001-94

EXHIBIT 2C (continued)

Prototype Money Purchase Plan & Trust Basic Document 001

I. PURPOSE

The Employer hereby adopts this Plan and Trust to provide funds for its Employees' retirement, and to provide funds for their Beneficiaries in the event of death. The benefits provided in this Plan shall be paid from the Trust. The Plan and the Trust forming a part hereof are adopted and shall be maintained for the exclusive benefit of eligible Employees and their Beneficiaries. Except as provided in Sections 4.09 and 15.03, no part of the corpus or income of the Trust shall revert to the Employer or be used for or diverted to purposes other than the exclusive benefit of Participants and their Beneficiaries.

II. DEFINITIONS

- 2.01 **Account.** A separate record which shall be established and maintained under the Trust for each Participant, and which shall include all Participant subaccounts created pursuant to Article IV, plus any Participant Loan Account created pursuant to Section 14.03. Each subaccount created pursuant to Article IV shall include any earnings of the Trust and adjustments for withdrawals, and realized and unrealized gains and losses allocable thereto. The term "Account" may also refer to any of such separate subaccounts.
- 2.02 **Accounting Date.** The last business day of each calendar month that the New York Stock Exchange is open for trading, and such other dates as may be determined by the Plan Administrator, as provided in Section 7.06 for valuing the Trust's assets.
- 2.03 **Adoption Agreement.** The separate agreement executed by the Employer and the Prototype Sponsor through which the Employer adopts the Plan and elects among the various alternatives provided thereunder, and which upon execution, becomes an integral part of the Plan.
- 2.04 **Beneficiary.** The person or persons designated by the Participant who, subject to the requirements of Article XIII, shall receive any benefits payable hereunder in the event of the Participant's death. The designation of such Beneficiary shall be in writing to the Plan Administrator. A Participant may designate primary and contingent Beneficiaries. Where no designated Beneficiary survives the Participant, the Participant's Beneficiary shall be his/her surviving spouse or, if none, his/her estate.
- 2.05 **Break in Service.** A Period of Severance of at least twelve (12) consecutive months.

In the case of an individual who is absent from work for maternity or paternity reasons, the twelve (12) consecutive month period beginning on the first anniversary of the first date of such absence shall not constitute a Break in Service. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence (1) by reason of the pregnancy of the individual, (2) by reason of the birth of a child of the individual, (3) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or (4) for purposes of caring for such child for a period beginning immediately following such birth or placement.

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EXHIBIT 2C (continued)

- 2.06 Code. The Internal Revenue Code of 1986, as amended from time to time.
- 2.07 Covered Employment Classification. The group or groups of Employees eligible to make and/or have contributions to this Plan made on their behalf, as specified by the Employer in the Adoption Agreement.
- 2.08 Disability. A physical or mental impairment which is of such permanence and degree that a Participant is unable because of such impairment to perform any substantial gainful activity for which he/she is suited by virtue of his/her experience, training, or education and that has lasted, or can be expected to last, for a continuous period of not less than twelve (12) months, or can be expected to result in death. The permanence and degree of such impairment shall be supported by medical evidence.
- 2.09 Earnings.
- (a) General Rule. Earnings, which form the basis for computing Employer Contributions, are all of each Participant's W-2 earnings which are actually paid to the Participant during the Plan Year, plus any contributions made pursuant to a salary reduction agreement which are not includible in the gross income of the Employee under section 125, 402(e)(3), 402(h)(1)(B), 403(b), 414(h)(2), or 457(b) of the Code. Unless the Employer elects otherwise in the Adoption Agreement, Earnings shall exclude overtime compensation and bonuses. Earnings, in the case of a self-employed individual, shall mean earned income.
- (b) Limitation on Earnings. Notwithstanding the foregoing, effective as of the first Plan Year beginning on or after January 1, 1989, and before January 1, 1994, the annual Earnings of each Participant taken into account for determining all benefits provided under the Plan for any Plan Year shall not exceed \$200,000. This limitation shall be adjusted by the Secretary of the Treasury at the same time and in the same manner as under section 415(d) of the Code, except that the dollar increase in effect on January 1 of any calendar year is effective for years beginning in such calendar year and the first adjustment to the \$200,000 limitation is effective on January 1, 1990.

For Plan Years beginning on or after January 1, 1994, the annual Earnings of each Participant taken into account for determining all benefits provided under the Plan for any Plan Year shall not exceed \$150,000, as adjusted for increases in the cost-of-living in accordance with section 401(a)(17)(B) of the Code. The cost-of-living adjustment in effect for a calendar year applies to any determination period beginning in such calendar year.

If a determination period consists of fewer than twelve (12) months, the annual Earnings limit is an amount equal to the otherwise applicable annual Earnings limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is twelve (12).

EXHIBIT 2C (continued)

In determining the Earnings of a Participant for purposes of this limitation, the rules of section 414(q)(6) of the Code shall apply, except in applying such rules, the term "family" shall include only the spouse of the Participant and any lineal descendants of the Participant who have not attained age nineteen (19) before the close of the year. If, as a result of the application of such rules the adjusted annual Earnings limitation is exceeded, then the limitation shall be prorated among the affected individuals in proportion to each such individual's Earnings as determined under this Section prior to the application of this limitation.

If Earnings for any prior determination period are taken into account in determining a Participant's allocations for the current Plan Year, the Earnings for such prior determination period are subject to the applicable annual Earnings limit in effect for that prior year. For this purpose, for years beginning on or after January 1, 1989, the applicable annual Earnings limit is \$200,000. In addition, in determining allocations in Plan Years beginning on or after January 1, 1994, the annual Earnings limit in effect for determination periods beginning before that date is \$150,000.

- (c) **Limitations for Governmental Plans.** In the case of an eligible participant in a governmental plan (within the meaning of section 414(d) of the Code), the dollar limitation shall not apply to the extent the Earnings which are allowed to be taken into account under the Plan would be reduced below the amount which was allowed to be taken into account under the Plan as in effect on July 1, 1993. For purposes of this Section, an eligible participant is an individual who first became a Participant in the Plan during a Plan Year beginning before the first Plan Year beginning after December 31, 1993.
- 2.10 **Effective Date.** The first day of the Plan Year during which the Employer adopts the Plan, unless the Employer elects in the Adoption Agreement an alternate date as the Effective Date of the Plan.
- 2.11 **Employee.** Any individual who performs services for the Employer or for any other employer required to be aggregated with the Employer under sections 414(b), (c), (m) or (o) of the Code. Notwithstanding the foregoing, however, no individual who is a "self-employed individual" within the meaning of section 401(c)(1)(B) of the Code, or an "owner-employee" within the meaning of section 401(c)(3) of the Code shall be an Employee hereunder. A leased employee shall be an Employee in accordance with the provisions of Section 17.12.
- 2.12 **Employer.** The unit of state or local government or an agency or instrumentality of one (1) or more states or local governments that executes the Adoption Agreement.
- 2.13 **Highly Compensated Employee.** Any highly compensated active Employee or highly compensated former Employee.

A highly compensated active Employee includes any Employee who performs service for the Employer during the determination year and who, during the look-back year: (i) received compensation from the Employer in excess of \$75,000 (as adjusted pursuant

EXHIBIT 2C (continued)

to section 415(d) of the Code); (ii) received compensation from the Employer in excess of \$50,000 (as adjusted pursuant to section 415(d) of the Code) and was a member of the top paid group for such year; or (iii) was an officer of the Employer and received compensation during such year that is greater than fifty percent (50%) of the dollar limitation in effect under section 415(b)(1)(A) of the Code. The term "Highly Compensated Employee" also includes (i) any Employee who is both described in the preceding sentence if the term "determination year" is substituted for the term "look-back year" and one (1) of the one hundred (100) Employees who received the most compensation from the Employer during the Plan Year; and (ii) any Employee who is a five percent (5%) owner at any time during the look-back year or determination year.

If no officer has satisfied the compensation requirement of (iii) above during either a determination year or a look-back year, the highest paid officer for such year shall be treated as a Highly Compensated Employee.

For the purposes of determining who is a "Highly Compensated Employee," the "determination year" shall be the Plan Year, and the "look-back year" shall be the twelve (12) month period immediately preceding the determination year.

A highly compensated former Employee includes any Employee who separated from service (or was deemed to have separated) prior to the determination year, performs no service for the Employer during the determination year, and was a highly compensated active Employee for either the separation year or any determination year ending on or after the Employee's fifty-fifth (55th) birthday.

If an Employee is, during a determination year or look-back year, a family member of either a five percent (5%) owner who is an active or former Employee or a Highly Compensated Employee who is one (1) of the ten (10) most Highly Compensated Employees ranked on the basis of compensation paid by the Employer during such year, then the family member and the five percent (5%) owner or top ten (10) Highly Compensated Employee shall be aggregated. In such case, the family member and five percent (5%) owner or top ten (10) Highly Compensated Employee shall be treated as a single Employee receiving compensation and Plan contributions or benefits equal to the sum of such compensation and contributions or benefits of the family member and five percent (5%) owner or top ten (10) Highly Compensated Employee. For purposes of this Section, family member includes the spouse, lineal ascendants and descendants of the Employee or former Employee and the spouses of such lineal ascendants and descendants.

The determination of who is a Highly Compensated Employee, including the determinations of the number and identity of Employees in the top-paid group, the top one hundred (100) Employees, the number of Employees treated as officers and the compensation that is considered, will be made in accordance with section 414(q) of the Code and the regulations thereunder.

- 2.14 Hour of Service. Each hour for which an Employee is paid or entitled to payment for the performance of duties for the Employer.

EXHIBIT 2C (continued)

- 2.15 **Non-highly Compensated Employee.** Any Employee who is not a Highly Compensated Employee.
- 2.16 **Nonforfeitable Interest.** The interest of the Participant or his/her Beneficiary (whichever is applicable) in that percentage of his/her Employer Contribution Account balance which has vested pursuant to Article VIII. A Participant shall, at all times, have a one hundred percent (100%) Nonforfeitable Interest in his/her Participant Contribution, Portable Benefits, and Voluntary Contribution Accounts.
- 2.17 **Normal Retirement Age.** The age which the Employer specifies in the Adoption Agreement. If the Employer enforces a mandatory retirement age, the Normal Retirement Age is the lesser of that mandatory age or the age specified in the Adoption Agreement.
- 2.18 **Participant.** An Employee or former Employee for whom contributions have been made under the Plan and who has not yet received all of the payments of benefits to which he/she is entitled under the Plan. A Participant is treated as benefiting under the Plan for any Plan Year during which the Participant received or is deemed to receive an allocation in accordance with Treas. Reg. section 1.410(b)-(3)(a).
- 2.19 **Period of Service.** For purposes of determining an Employee's initial or continued eligibility to participate in the Plan or the Nonforfeitable Interest in the Participant's Account balance derived from Employer Contributions, an Employee will receive credit for the aggregate of all time period(s) commencing with the Employee's first day of employment or reemployment and ending on the date a Break in Service begins. The first day of employment or reemployment is the first day the Employee performs an Hour of Service. An Employee will also receive credit for any Period of Severance of less than twelve (12) consecutive months. Fractional periods of a year will be expressed in terms of days.

If the Employer is a member of an affiliated service group (under section 414(m) of the Code), a controlled group of corporations (under section 414(b) of the Code), or a group of trades or businesses under common control (under section 414(c) of the Code), or any other entity required to be aggregated with the Employer pursuant to section 414(o) of the Code and the regulations thereunder, service will be credited for any employment for any period of time for any other member of such group. Service will also be credited for any individual required under section 414(n) of the Code or 414(o) of the Code and the regulations thereunder to be considered an Employee of any Employer aggregated under section 414(b), (c), or (m) of the Code.

Notwithstanding anything to the contrary herein, if the Plan is an amendment and restatement of a plan that previously calculated service under the hours of service method, service shall be credited in a manner that is at least as generous as that provided under Treas. Regs. section 1.410(a)-7(g).

- 2.20 **Period of Severance.** A continuous period of time during which the Employee is not employed by the Employer. Such period begins on the date the Employee retires, quits or is discharged, or if earlier, the twelve (12) month anniversary of the date on which the Employee was otherwise first absent from service.

EXHIBIT 2C (continued)

- 2.21 Plan. This Prototype Plan, as established by the Employer, including any elected provisions pursuant to the Adoption Agreement.
- 2.22 Plan Administrator. The Prototype Sponsor or any successor Plan Administrator.
- 2.23 Plan Year. The twelve (12) consecutive month period designated by the Employer in the Adoption Agreement.
- 2.24 Prototype Plan. The ICMA Retirement Corporation Prototype Money Purchase Plan.
- 2.25 Prototype Sponsor. The ICMA Retirement Corporation.
- 2.26 Trust. The Trust created under Article VII of the Plan which shall consist of all of the assets of the Plan derived from Employer and Participant contributions under the Plan, plus any income and gains thereon, less any losses, expenses and distributions to Participants and Beneficiaries.

III. ELIGIBILITY

- 3.01 Service. Except as provided in Sections 3.02 and 3.03 of the Plan, an Employee within the Covered Employment Classification who has completed a twelve (12) month Period of Service shall be eligible to participate in the Plan at the beginning of the payroll period next commencing thereafter. The Employer may elect in the Adoption Agreement to waive or reduce the twelve (12) month Period of Service.

If the Employer maintains the plan of a predecessor employer, service with such employer shall be treated a Service for the Employer.

- 3.02 Age. The Employer may designate a minimum age requirement, not to exceed age twenty-one (21), for participation. Such age, if any, shall be declared in the Adoption Agreement.
- 3.03 Return to Covered Employment Classification. In the event a Participant is no longer a member of Covered Employment Classification and becomes ineligible to make contributions and/or have contributions made on his/her behalf, such Employee will become eligible for contributions immediately upon returning to a Covered Employment Classification. If such Participant incurs a Break in Service, eligibility will be determined under the Break in Service rules of the Plan.

In the event an Employee who is not a member of a Covered Employment Classification becomes a member, such Employee will be eligible to participate immediately if such Employee has satisfied the minimum age and service requirements and would have otherwise previously become a Participant.

- 3.04 Service Before a Break in Service. All Periods of Service with the Employer are counted toward eligibility, including Periods of Service before a Break in Service.

EXHIBIT 2C (continued)

IV. CONTRIBUTIONS

- 4.01 **Employer Contributions.** For each Plan Year, the Employer will contribute to the Trust an amount as specified in the Adoption Agreement. The Employer's full contribution for any Plan Year shall be due and paid not later than thirty (30) working days after the close of the Plan Year. Each Participant will share in Employer Contributions for the period beginning on the date the Participant commences participation under the Plan and ending on the date on which such Employee severs employment with the Employer or is no longer a member of a Covered Employment Classification, and such contributions shall be accounted for separately in his/her Employer Contribution Account. Notwithstanding anything to the contrary herein, if so elected by the Employer in the Adoption Agreement, an Employee shall be required to make contributions as provided pursuant to Section 4.03 or 4.04 in order to be eligible for Employer Contributions to be made on his/her behalf to the Plan.
- 4.02 **Forfeitures.** All amounts forfeited by terminated Participants, pursuant to Section 8.06, shall be allocated to a suspense account and used to reduce dollar for dollar Employer Contributions otherwise required under the Plan for the current Plan Year and succeeding Plan Years, if necessary. Forfeitures may first be used to pay the reasonable administrative expenses of the Plan, with any remainder being applied to reduce Employer Contributions.
- 4.03 **Mandatory Participant Contributions.** If the Employer so elects in the Adoption Agreement, each eligible Employee shall make contributions at a prescribed rate as a requirement for his/her participation in the Plan. Once such an eligible Employee becomes a Participant hereunder, he/she shall not thereafter have the right to discontinue or vary the rate of such Mandatory Participant Contributions. Such contributions shall be accounted for separately in the Participant Contribution Account. Such Account shall be at all times nonforfeitable by the Participant.
- 4.04 **Matched Participant Contributions.** If the Employer so elects in the Adoption Agreement, Employer Contributions shall be made on behalf of an eligible Employee for a Plan Year only if the Employee agrees to make Matched Participant Contributions for that Plan Year. The rate of Employer Contributions shall, to the extent specified in the Adoption Agreement, be based upon the rate at which Matched Participant Contributions are made for that Plan Year. Matched Participant Contributions shall be accounted for separately in the Participant Contribution Account. Such Account shall be at all times nonforfeitable by the Participant.
- 4.05 **Voluntary Participant Contributions.** If the Employer so elects in the Adoption Agreement, an eligible Employee may make voluntary (unmatched) contributions under the Plan for any Plan Year in any amount up to ten percent (10%) of his/her Earnings for such Plan Year. Such contributions shall be accounted for separately in the Participant's Voluntary Contribution Account. Such Account shall be at all times nonforfeitable by the Participant.

EXHIBIT 2C (continued)

- 4.06 **Deductible Employee Contributions.** The Plan will not accept deductible employee contributions which are made for a taxable year beginning after December 1986. Contributions made prior to that date will be maintained in a Deductible Employee Contribution Account. The Account will share in the gains and losses under the Plan in the same manner as described in Section 7.06 of the Plan. Such Account shall be at all times nonforfeitable by the Participant.
- 4.07 **Changes in Participant Election.** A Participant may elect to change his/her rate of Matched Participant Contributions or Voluntary Participant Contributions at anytime or during an election period as designated by the Employer. A Participant may discontinue such contributions at any time or during an election period as designated by the Employer.
- 4.08 **Portability of Benefits.**
- (a) An Employee within the Covered Employment Classification, whether or not he/she has satisfied the minimum age and service requirements of Article III, may transfer or roll over his/her interest in a plan qualified under section 401(a) or 403(a) of the Code to this Plan, provided:
- (1) The distribution is on account of termination or discontinuance of the plan or the distribution becomes payable on account of the Employee's separation from service, death, disability or after the Employee attains age fifty-nine and one-half (59-1/2); and the form and nature of the distribution from the other plan satisfies the applicable requirements under the Code to make the transfer or rollover a nontaxable transaction to the Employee;
 - (2) The amount distributed from the plan is transferred to this Plan no later than the sixtieth (60th) day after distribution was made from the plan; and
 - (3) In the case of a rollover, the amount transferred to this Plan does not exceed the amount of the distribution reduced by the Employee contributions (if any) to the plan (other than accumulated deductible voluntary contributions).

Such transfer or rollover may also be through an Individual Retirement Plan qualified under section 408 of the Code where the Individual Retirement Plan was used as a conduit from the prior plan and the transfer is made in accordance with the rules provided at (a) through (c) of this paragraph and the transfer does not include any personal contributions or earnings thereon the Participant may have made to the Individual Retirement Plan.

The amount transferred shall be deposited in the Trust and shall be credited to a Portable Benefits Account. Such Account shall be one hundred percent (100%) vested in the Employee.

EXHIBIT 2C (continued)

The Plan will accept accumulated Deductible Employee Contributions as defined in section 72(o)(5) of the Code that were distributed from a qualified retirement plan and transferred (rolled over) pursuant to section 402(a)(5), 402(a)(7), 403(a)(4), or 408(d)(3) of the Code. Notwithstanding the above, this transferred (rolled over) amount shall be deposited to the Trust and shall be credited to a Deductible Employee Contribution Account. Such Account shall be one hundred percent (100%) vested in the Employee.

- (b) An Employee within the Covered Employment Classification, whether or not he/she has satisfied the minimum age and service requirement of Article III, may, upon approval by the Employer and the Plan Administrator, transfer his/her interest in another plan maintained by the Employer that is qualified under section 401(a) of the Code to this Plan, provided the transfer is effected through a one-time irrevocable written election made by the Participant. The amount transferred shall be deposited in the Trust and shall be credited to sources that maintain the same attributes as the plan from which they are transferred. Such transfer shall not reduce the accrued years or service credited to the Participant for purposes of vesting or eligibility for any Plan benefits or features.

- 4.09 Return of Employer Contributions. Any contribution made by the Employer because of a mistake of fact must be returned to the Employer within one year of the date of contribution.

V. SPECIAL LIMITATIONS ON EMPLOYEE CONTRIBUTIONS AND MATCHING CONTRIBUTIONS

- 5.01 Applicability. The special limitations of this Article are applicable only to Employee Contributions and Matching Contributions that are subject to the special limitation of section 401(m) of the Code.

5.02 Limitations on Employee Contributions and Employer Matching Contributions.

- (a) The Average Contribution Percentage (hereinafter "ACP") for Participants who are Highly Compensated Employees for each Plan Year and the ACP for Participants who are Non-highly Compensated Employees for the same Plan Year must satisfy one (1) of the following tests:
- (1) The ACP for Participants who are Highly Compensated Employees for the Plan Year shall not exceed the ACP for Participants who are Non-highly Compensated Employees for the same Plan Year multiplied by 1.25; or
 - (2) The ACP for Participants who are Highly Compensated Employees for the Plan Year shall not exceed the ACP for Participants who are Non-highly Compensated Employees for the same Plan Year multiplied by two (2), provided that the ACP for Participants who are Highly Compensated Employees does not exceed the ACP for Participants who are Non-highly Compensated Employees by more than two (2) percentage points.

EXHIBIT 2C (continued)

(b) Special Rules.

- (1) *Multiple Use:* If one (1) or more Highly Compensated Employees participate in both a CODA and a plan subject to the ACP test maintained by the Employer, and the sum of the actual deferral percentage under the CODA ("ADP") and ACP of those Highly Compensated Employees subject to either or both tests exceeds the Aggregate Limit, then the ACP of those Highly Compensated Employees who also participate in a CODA will be reduced (beginning with such Highly Compensated Employee whose ACP is the highest) so that the limit is not exceeded. The amount by which each Highly Compensated Employee's Contribution Percentage Amounts is reduced shall be treated as an Excess Aggregate Contribution. The ADP and ACP of the Highly Compensated Employees are determined after any corrections required to meet the ADP and ACP tests. Multiple use does not occur if both the ADP and ACP of the Highly Compensated Employees does not exceed 1.25 multiplied by the ADP and ACP of the Non-highly Compensated Employees.
- (2) For purposes of this Section, the Contribution Percentage for any Participant who is a Highly Compensated Employee and who is eligible to have Contribution Percentage Amounts allocated to his/her account under two (2) or more plans described in section 401(a) of the Code, or arrangements described in section 401(k) of the Code that are maintained by the Employer, shall be determined as if the total of such Contribution Percentage Amounts was made under each plan. If a Highly Compensated Employee participates in two (2) or more cash or deferred arrangements that have different plan years, all cash or deferred arrangements ending with or within the same calendar year shall be treated as a single arrangement. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under regulations under section 401(m) of the Code.
- (3) In the event that this Plan satisfies the requirements of sections 401(m), 401(a)(4) or 410(b) of the Code only if aggregated with one (1) or more other plans, or if one (1) or more other plans satisfy the requirements of such sections of the Code only if aggregated with this Plan, then this Section shall be applied by determining the Contribution Percentage of Employees as if all such plans were a single plan. For plan years beginning after December 31, 1989, plans may be aggregated in order to satisfy section 401(m) of the Code only if they have the same plan year.
- (4) For purposes of determining the Contribution Percentage of a Participant who is a five percent (5%) owner or one (1) of the ten (10) most highly paid Highly Compensated Employees, the Contribution Percentage Amounts and Earnings of such Participant shall include the Contribution Percentage Amounts and Earnings for the Plan Year of family members (as defined in section 414(q)(6) of the Code). Family members, with respect to Highly Compensated Employees, shall be disregarded as separate Employees in determining the Contribution Percentage both for Participants who are Non-highly Compensated Employees and for Participants who are Highly Compensated Employees.

EXHIBIT 2C (continued)

- (5) For purposes of applying the ACP test, Employee Contributions are considered to have been made in the Plan Year in which contributed to the Trust. Matching Contributions will be considered made for a Plan Year if made no later than the end of the twelve (12) month period beginning on the day after the close of the Plan Year.
- (6) The Employer shall maintain records sufficient to demonstrate satisfaction of the ACP test.
- (7) The determination and treatment of the Contribution Percentage of any Participant shall satisfy such other requirements as may be prescribed by the Secretary of the Treasury.

5.03 *Avoidance of Excess Aggregate Contributions.* In the event that the Employer determines that the Plan may be unable to meet the ACP test, and notwithstanding anything to the contrary herein, the Employer may reject any Participant election under Article IV or reduce the amount of contributions elected, even if such election has already become effective, to assure that contributions on behalf of Highly Compensated Employees meet the limitations of such test. Any rejections of elections and any reduction of amounts elected shall be made by the Employer on a reasonable and nondiscriminatory basis.

5.04 *Correction of Excess Aggregate Contributions.*

- (a) *General Rule.* In the event that the Plan does not meet the ACP test, and notwithstanding any other provisions of the Plan, Excess Aggregate Contributions, plus any income and minus any loss allocable thereto, shall be forfeited, if forfeitable, or if not forfeitable, distributed no later than the last day of each Plan Year to Participants to whose Accounts such Excess Aggregate Contributions were allocated for the preceding Plan Year. Excess Aggregate Contributions shall be allocated to Participants who are subject to the family member aggregation rules in proportion to the Employee and Matching Contributions (or amounts treated as Matching Contributions) of each family member that is combined to determine the combined ACP. If such Excess Aggregate Contributions are distributed more than two and one-half (2-1/2) months after the last day of the Plan Year in which such excess amounts arose, a ten percent (10%) excise tax will be imposed on the Employer maintaining the Plan with respect to those amounts. Excess Aggregate Contributions shall be treated as Annual Additions, as defined under Section 6.05.
- (b) *Determination of Allocable Income or Loss.* Excess Aggregate Contributions shall be adjusted for any income or loss up to the date of distribution. The income or loss allocable to Excess Aggregate Contributions is the sum of: (1) income or loss allocable to the Participant's Employee Contribution Account, Employer Contribution Account (if the Employer Contributions are Matching Contributions) for the Plan Year multiplied by a fraction, the numerator of which is such Participant's Excess Aggregate Contributions for the year and the denominator is the Participant's Account balance(s) attributable to Contribution Percentage Amounts without regard to any income or loss occurring during such Plan Year; and (2) ten percent (10%) of

EXHIBIT 2C (continued)

the amount determined under (1) multiplied by the number of whole calendar months between the end of the Plan Year and the date of distribution, counting the month of distribution if distribution occurs after the fifteenth (15th) of such month.

- (c) **Forfeiture or Distribution of Excess Aggregate Contributions.** Excess Aggregate Contributions shall be forfeited, if forfeitable, or distributed on a pro-rata basis from the Participant's Employee Contribution Account or Employer Contribution Account (if Employer Contributions are Matching Contributions). Forfeitures of Excess Aggregate Contributions will be applied to reduce Employer Contributions.

5.05 **Definitions.** For the purposes of this Article, the following definitions shall apply:

- (a) **Aggregate Limit.** The sum of (i) 125 percent of the greater of the ADP of the Non-highly Compensated Employees under the CODA for the Plan Year or the ACP of Non-highly Compensated Employees under the Plan subject to Code section 401(m) for the Plan Year beginning with or within the Plan Year of the CODA and (ii) the lesser of 200% or two (2) plus the lesser of such ADP or ACP. "Lesser" is substituted for "greater" in (i), above, and "greater" is substituted for "lesser" after "two plus the " in (ii) if it would result in a larger Aggregate Limit.
- (b) **Average Contribution Percentage.** The average of the Contribution Percentages of the Eligible Participants in a group.
- (c) **CODA.** A cash or deferred arrangement pursuant to section 401(k) of the Code.
- (d) **Contribution Percentage.** The ratio (expressed as a percentage) of the Participant's Contribution Percentage Amounts to the Participant's Earnings for the Plan Year (whether or not the Employee was a Participant for the entire Plan Year).
- (e) **Contribution Percentage Amounts.** The sum of the Employee Contributions and Matching Contributions made under the Plan on behalf of the Participant for the Plan Year. Such Contribution Percentage Amounts shall not include Matching Contributions that are forfeited either to correct Excess Aggregate Contributions or because the contributions to which they relate are Excess Deferrals, Excess Contributions, or Excess Aggregate Contributions.
- (f) **Eligible Participant.** Any Employee who is eligible to make an Employee Contribution or to receive a Matching Contribution (including forfeitures). If an Employee Contribution is required as a condition of participation in the Plan, any Employee who would be a Participant in the Plan if such Employee made such a contribution shall be treated as an Eligible Participant on behalf of whom no Employee Contributions are made.
- (g) **Employee Contribution.** Any contribution made to the Plan by or on behalf of a Participant that is included in the Participant's gross income in the year in which made and that is maintained under a separate account to which earnings and losses are allocated.

EXHIBIT 2C (continued)

- (h) **Excess Aggregate Contributions.** With respect to any Plan Year, the excess of:
- (1) The aggregate Contribution Percentage Amounts taken into account in computing the numerator of the Contribution Percentage actually made on behalf of Highly Compensated Employees for such Plan Year, over
 - (2) The maximum Contribution Percentage Amounts permitted by the ACP test (determined by reducing contributions made on behalf of Highly Compensated Employees in order of their Contribution Percentages beginning with the highest of such percentages).
- (i) **Matching Contribution.** An Employer Contribution made to this or any other defined contribution plan on behalf of a Participant on account of an Employee Contribution made by such Participant, or on account of a Participant's elective deferral, under a plan maintained by the Employer.

VI. LIMITATION ON ALLOCATIONS

6.01 Participants Only in This Plan.

- (a) If the Participant does not participate in, and has never participated in another qualified plan or a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer, or an individual medical account, as defined by section 415(1)(2) of the Code, maintained by the Employer, which provides an Annual Addition, the amount of Annual Additions which may be credited to the Participant's Account for any Limitation Year will not exceed the lesser of the Maximum Permissible Amount or any other limitation contained in this Plan. If the Employer Contribution that would otherwise be contributed or allocated to the Participant's Account would cause the Annual Additions for the Limitation Year to exceed the Maximum Permissible Amount, the amount contributed or allocated will be reduced so that the Annual Additions for the Limitation Year will equal the *Maximum Permissible Amount*.
- (b) Prior to determining the Participant's actual Compensation for the Limitation Year, the Employer may determine the Maximum Permissible Amount for a Participant on the basis of a reasonable estimation of the Participant's Compensation for the Limitation Year, *uniformly determined for all Participants similarly situated*.
- (c) As soon as is administratively feasible after the end of the Limitation Year, the Maximum Permissible Amount for the Limitation Year will be determined on the basis of the Participant's actual Compensation for the Limitation Year.

EXHIBIT 2C (continued)

- (d) If, pursuant to Subsection (c) or as a result of the allocation of forfeitures, there is an Excess Amount, the excess will be disposed of as follows:
- (1) Any Voluntary Participant Contributions, to the extent they would reduce the Excess Amount, will be returned to the Participant;
 - (2) If after the application of paragraph (1) an Excess Amount still exists, and the Participant is covered by the Plan at the end of the Limitation Year, the Excess Amount in the Participant's Account will be used to reduce Employer Contributions (including any allocation of forfeitures) for such Participant in the next Limitation Year, and each succeeding Limitation Year if necessary;
 - (3) If after the application of paragraph (1) an Excess Amount still exists, and the Participant is not covered by the Plan at the end of the Limitation Year, the Excess Amount will be held unallocated in a suspense account. The suspense account will be applied to reduce future Employer Contributions (including allocation of any forfeitures) for all remaining Participants in the next Limitation Year, and each succeeding Limitation Year if necessary;
 - (4) If a suspense account is in existence at any time during a particular Limitation Year, all amounts in the suspense account must be allocated and reallocated to Participants' accounts before any Employer or any Employee contributions may be made to the Plan for that Limitation Year. Excess Amounts in a suspense account may not be distributed to Participants or former Participants.

6.02 Participants in More than One Plan.

- (a) This Section applies if, in addition to this Plan, the Participant is covered under another qualified Regional Prototype defined contribution Plan maintained by the Employer, or a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer, or an individual medical account, as defined by section 415(l)(2) of the Code, maintained by the Employer, which provides an Annual Addition, during any Limitation Year. The Annual Additions which may be credited to a Participant's Account under this Plan for any such Limitation Year will not exceed the Maximum Permissible Amount reduced by the Annual Additions credited to a Participant's Account under the other plans and welfare benefit funds for the same Limitation Year. If the Annual Additions with respect to the Participant under other defined contribution plans and welfare benefit funds maintained by the Employer are less than the Maximum Permissible Amount and the Employer contribution that would otherwise be contributed or allocated to the Participant's Account under this Plan would cause the Annual Additions for the Limitation Year to exceed this limitation, the amount contributed or allocated will be reduced so that the Annual Additions under all such plans and funds for the Limitation Year will equal the Maximum Permissible Amount. If the Annual Additions with respect to the Participant under such other defined contribution plans and welfare benefit funds in the aggregate are equal to or greater than the Maximum Permissible Amount, no amount will be contributed or allocated to the Participant's Account under this Plan for the Limitation Year.

EXHIBIT 2C (continued)

- (b) Prior to determining the Participant's actual Compensation for the Limitation Year, the Employer may determine the Maximum Permissible Amount for a Participant in the manner described in Section 6.01(b).
- (c) As soon as is administratively feasible after the end of the Limitation Year, the Maximum Permissible Amount for the Limitation Year will be determined on the basis of the Participant's actual Compensation for the Limitation Year.
- (d) If, pursuant to Subsection (c) or as a result of the allocation of forfeitures, a Participant's Annual Additions under this Plan and such other plans would result in an Excess Amount for a Limitation Year, the Excess Amount will be deemed to consist of the Annual Additions last allocated, except that Annual Additions attributable to a welfare benefit fund or individual medical account will be deemed to have been allocated first regardless of the actual allocation date.
- (e) If an Excess Amount was allocated to a Participant on an allocation date of this Plan which coincides with an allocation date of another plan, the Excess Amount attributed to this Plan will be the product of,
 - (1) The total Excess Amount allocated as of such date, multiplied by
 - (2) The ratio of (i) the Annual Additions allocated to the Participant for the Limitation Year as of such date under this Plan to (ii) the total Annual Additions allocated to the Participant for the Limitation Year as of such date under this and all the other qualified Regional Prototype defined contribution Plans.
- (f) Any Excess Amount attributed to this Plan will be disposed in the manner described in Section 6.01(d).

6.03 Participant in Another Defined Contribution Plan. If the Participant is covered under another qualified defined contribution plan maintained by the Employer which is not a Regional Prototype Plan, Annual Additions which may be credited to the Participant's Account under this Plan for any Limitation Year will be limited in accordance with Section 6.02 as though the other plan were a Regional Prototype Plan unless the Employer provides other limitations in the Adoption Agreement.

6.04 Participant in Defined Benefit Plan. If the Employer maintains, or at any time maintained, a qualified defined benefit plan covering any Participant in this Plan, the sum of the Participant's Defined Benefit Fraction and Defined Contribution Fraction will not exceed 1.0 in any Limitation Year. The Annual Additions which may be credited to the Participant's Account under this Plan for any Limitation Year will be limited in accordance with the Adoption Agreement.

EXHIBIT 2C (continued)

6.05 Definitions. For the purposes of this Article, the following definitions shall apply:

- (a) Annual Additions: The sum of the following amounts credited to a Participant's account for the Limitation Year:
 - (1) Employer Contributions;
 - (2) Forfeitures;
 - (3) Employee contributions; and
 - (4) Allocations under a simplified employee pension.

Amounts allocated, after March 31, 1984, to an individual medical account, as defined in section 415(l)(2) of the Code, which is part of a pension or annuity plan maintained by the Employer, are treated as Annual Additions to a defined contribution plan. Also, amounts derived from contributions paid or accrued after December 31, 1985, in taxable years ending after such date, which are attributable to post-retirement medical benefits allocated to the separate account of a key Employee, as defined in section 419A(d)(3) of the Code, under a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer, are treated as Annual Additions to a defined contribution plan.

For this purpose, any Excess Amount applied under Sections 6.01(d) or 6.02(f) in the Limitation Year to reduce Employer Contributions will be considered Annual Additions for such Limitation Year.

- (b) Compensation: A Participant's wages, salaries, and fees for professional services and other amounts received (without regard to whether an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer maintaining the Plan to the extent that the amounts are includible in gross income (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan (as described in Treas. Reg. section 1.62-2(c))), including earned income of a self-employed individual, and excluding the following:
 - (1) Employer Contributions to a plan of deferred compensation which are not includible in the Employee's gross income for the taxable year in which contributed, or Employer Contributions under a simplified employee pension plan to the extent such contributions are deductible by the Employee, or any distributions from a plan of deferred compensation;
 - (2) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;

EXHIBIT 2C (continued)

- (3) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
- (4) Other amounts which received special tax benefits, or contributions made by the Employer (whether or not under a salary reduction agreement) towards the purchase of an annuity contract described in section 403(b) of the Code (whether or not the amounts are actually excludable from the gross income of the Employee).

For any self-employed individual compensation will mean earned income.

For purposes of applying the limitations of this Article, Compensation for a Limitation Year is the Compensation actually paid or made available during such year.

Notwithstanding the preceding sentence, Compensation for a Participant in a defined contribution plan who is permanently and totally disabled (as defined in section 22(e)(3) of the Code) is the Compensation such Participant would have received for the Limitation Year if the Participant had been paid at the rate of Compensation paid immediately before becoming permanently and totally disabled; such imputed Compensation for the disabled Participant may be taken into account only if the Participant is not a Highly Compensated Employee (as defined in section 414(q) of the Code), and contributions made on behalf of such Participant are nonforfeitable when made.

- (c) **Defined Benefit Fraction:** A fraction, the numerator of which is the sum of the Participant's Projected Annual Benefits under all the defined benefit plans (whether or not terminated) maintained by the Employer, and the denominator of which is the lesser of 125 percent of the dollar limitation determined for the Limitation Year under sections 415(b) and (d) of the Code or 140 percent of the Highest Average Compensation, including any adjustments under section 415(b) of the Code.

Notwithstanding the above, if the Participant was a participant as of the first day of the first Limitation Year beginning after December 31, 1986, in one (1) or more defined benefit plans maintained by the Employer which were in existence on May 6, 1986, the denominator of this fraction will not be less than 125 percent of the sum of the annual benefits under such plans which the Participant had accrued as of the close of the last Limitation Year beginning before January 1, 1987, disregarding any changes in the terms and conditions of the plan after May 5, 1986. The preceding sentence applies only if the defined benefit plans individually and in the aggregate satisfied the requirements of section 415 of the Code for all Limitation Years beginning before January 1, 1987.

- (d) **Defined Contribution Dollar Limitation:** \$30,000 or, if greater, one-fourth (1/4) of the defined benefit dollar limitation set forth in section 415(b)(1) of the Code, as in effect for the Limitation Year.

EXHIBIT 2C (continued)

- (e) **Defined Contribution Fraction:** A fraction, the numerator of which is the sum of the Annual Additions to the Participant's account under all the defined contribution plans (whether or not terminated) maintained by the Employer for the current and all prior Limitation Years (including the Annual Additions attributable to the Participant's nondeductible Employee contributions to all defined benefit plans, whether or not terminated, maintained by the Employer, and the Annual Additions attributable to all welfare benefit funds, as defined in section 419(e) of the Code, and individual medical accounts as defined in section 415(l)(2) of the Code, maintained by the Employer), and the denominator of which is the sum of the maximum aggregate amounts for the current and all prior Limitation Years of service with the Employer (regardless of whether a defined contribution plan was maintained by the Employer). The maximum aggregate amount in any Limitation Year is the lesser of 125 percent of the dollar limitation in effect under sections 415 (b) and (d) of the Code in effect under section 415(c)(1)(A) of the Code, or thirty-five percent (35%) of the Participant's Compensation for such year.

If the Employee was a Participant as of the first day of the first Limitation Year beginning after December 31, 1986, in one (1) or more defined contribution plans maintained by the Employer which were in existence on May 6, 1986, the numerator of this fraction will be adjusted if the sum of this fraction and the Defined Benefit Fraction would otherwise exceed 1.0 under the terms of this Plan. Under the adjustment, an amount equal to the product of (1) the excess of the sum of the fractions over 1.0 multiplied by (2) the denominator of this fraction, will be permanently subtracted from the numerator of this fraction. The adjustment is calculated using the fractions as they would be computed as of the end of the last Limitation Year beginning before January 1, 1987, and disregarding any changes in the terms and conditions of the plan made after May 5, 1986, but using the section 415 of the Code limitation applicable to the first Limitation Year beginning on or after January 1, 1987.

The Annual Addition for any Limitation Year beginning before January 1, 1987, shall not be recomputed to treat all Employee contributions as Annual Additions.

- (f) **Employer:** The Employer that adopts this Plan, and all members of a controlled group of corporations (as defined in section 414(b) of the Code as modified by section 415(h) of the Code), all commonly controlled trades or businesses (as defined in section 414(c) of the Code as modified by section 415(h) of the Code) or affiliated service groups (as defined in section 414(m) of the Code) of which the adopting Employer is a part, and any other entity required to be aggregated with the Employer pursuant to regulations under section 414(o) of the Code.
- (g) **Excess Amount:** The excess of the Participant's Annual Additions for the Limitation Year over the Maximum Permissible Amount.
- (h) **Highest Average Compensation:** The average Compensation for the three (3) consecutive years of service with the Employer that produce the highest average. A year of service with the Employer is the twelve (12) consecutive month period defined as the Limitation Year in the Adoption Agreement.

EXHIBIT 2C (continued)

- (i) **Limitation Year:** A calendar year, or the twelve (12) consecutive month period elected by the Employer in the Adoption Agreement. All qualified plans maintained by the Employer must use the same Limitation Year. If the Limitation Year is amended to a different twelve (12) consecutive month period, the new Limitation Year must begin on a date within the Limitation Year in which the amendment is made.
- (j) **Regional Prototype Plan:** A plan the form of which is the subject of a favorable opinion letter from the Internal Revenue Service.
- (k) **Maximum Permissible Amount:** The maximum Annual Addition that may be contributed or allocated to a Participant's Account under the Plan for any Limitation Year shall not exceed the lesser of:
 - (1) The Defined Contribution Dollar Limitation, or
 - (2) Twenty-five percent (25%) of the Participant's Compensation for the Limitation Year.

The Compensation limitation referred to in (2) shall not apply to any contribution for medical benefits (within the meaning of section 401(h) or section 419A(f)(2) of the Code) which is otherwise treated as an Annual Addition under section 415(l)(1) or 419A(d)(2) of the Code.

If a short Limitation Year is created because of an amendment changing the Limitation Year to a different twelve (12) consecutive month period, the Maximum Permissible Amount will not exceed the Defined Contribution Dollar Limitation multiplied by the following fraction:

Number of months in the short Limitation Year

12

- (l) **Projected Annual Benefit:** The annual retirement benefit (adjusted to an actuarially equivalent straight life annuity if such benefit is expressed in a form other than a straight life annuity or qualified joint and survivor annuity) to which the Participant would be entitled under the terms of the plan assuming:
 - (1) The Participant will continue employment until Normal Retirement Age under the plan (or current age, if later), and
 - (2) The Participant's Compensation for the current Limitation Year and all other relevant factors used to determine benefits under the plan will remain constant for all future Limitation Years.

EXHIBIT 2C (continued)

VII. TRUST AND INVESTMENT OF ACCOUNTS

- 7.01 Trust. A Trust is hereby created to hold all of the assets of the Plan for the exclusive benefit of Participants and Beneficiaries, except that expenses and taxes may be paid from the Trust as provided in Section 7.03. The trustee shall be the Employer or such other person which agrees to act in that capacity hereunder.
- 7.02 Investment Powers. The trustee or the Plan Administrator, acting as agent for the trustee, shall have the powers listed in this Section with respect to investment of Trust assets, except to the extent that the investment of Trust assets is controlled by Participants, pursuant to Section 14.03.
- (a) To invest and reinvest the Trust without distinction between principal and income in any form of tangible or intangible property, real, personal, or mixed, and wherever situated, including, but not by way of limitation, common or preferred stocks, shares of regulated investment companies and other mutual funds, bonds, loans, notes, debentures, mortgages, certificates of deposit, interest, or participation, equipment trust certificates, commercial paper including but not limited to participation in pooled commercial paper accounts, contracts with insurance companies including but not limited to insurance, individual or group annuity, deposit administration, and guaranteed interest contracts, deposits at reasonable rates of interest at banking institutions including but not limited to savings accounts and certificates of deposit, and other forms of securities or investments of any kind, class, or character whatsoever and representing interests in any form of enterprise, wherever it may be located, organized or operated within or without the United States of America, whether such investments are income producing or not, without being limited in any respect by statute or court rule or decision of any jurisdiction now or hereafter in force purporting to limit or otherwise affect such investments. Assets of the Trust may be invested in securities or new ventures that involve a higher degree of risk than investments that have demonstrated their investment performance over an extended period of time.
 - (b) To invest and reinvest all or any part of the assets of the Trust in any common, collective or commingled trust fund that is maintained by a bank or other institution and that is available to Employee plans qualified under section 401 of the Code, or any successor provisions thereto, and during the period of time that an investment through any such medium shall exist, to the extent of participation of the Plan, the declaration of trust of such common, collective, or commingled trust fund shall constitute a part of this Plan.
 - (c) To invest and reinvest all or any part of the assets of the Trust in any group annuity, deposit administration or guaranteed interest contract issued by an insurance company or other financial institution on a commingled or collective basis with the assets of any other plan or trust qualified under section 401(a) of the Code or any other plan described in section 401(a)(24) of the Code, and such contract may be held or issued in the name of the Plan Administrator, or such custodian as the Plan Administrator may appoint, as agent and nominee for the Employer. During the

EXHIBIT 2C (continued)

period that an investment through any such contract shall exist, to the extent of participation of the Plan, the terms and conditions of such contract shall constitute a part of the Plan.

- (d) To purchase part interests in real property or in mortgages on real property, wherever such real property may be situated, and to delegate to a property manager or the holder or holders of a majority interest in such real property or mortgage on real property the management and operation of any part interest in such real property or mortgages.
- (e) To hold cash awaiting investment and to keep such portion of the Trust in cash or cash balances, without liability for interest, in such amounts as may from time to time be deemed to be reasonable and necessary to meet obligations under the Plan or otherwise to be in the best interests of the Plan.
- (f) To retain, manage, operate, administer, divide, subdivide, partition, mortgage, pledge, improve, alter, demolish, remodel, repair, and develop in any manner any property, or any part of or partial interest in any property, real or personal, held in the Trust, to lease such property for any period of time, and to grant options to sell, exchange, lease, or otherwise dispose of any such property, without regard to restrictions applicable to fiduciaries or others and without the approval of any court.
- (g) To sell for cash or credit, redeem, exchange for other property, convey, transfer, or otherwise dispose of any property held in the Trust in any manner and at any time, by private contract or at public auction or otherwise, and no other person shall be bound to see to the application of the purchase money or to inquire into the validity, expediency, or propriety of any such sale or other disposition.
- (h) To enter into contracts for or to make commitments either alone or in company with others to purchase or sell at any future date any property acquired for the Trust.
- (i) To vote or to refrain from voting any stocks, bonds, or other securities held in the Trust, to exercise any other right appurtenant to any securities or other property held in the Trust, to give general or special proxies or powers of attorney with or without power of substitution with respect to such securities and other property, to exercise any conversion privileges, subscription rights, or other options or privileges with respect to such securities and other property and make any payments incidental thereto, and generally to exercise, personally or by general or limited power of attorney, any of the powers of an owner with respect to stocks, bonds, securities, or other property held in the Trust at any time.
- (j) To oppose or to consent to and participate in any organization, reorganization, consolidation, merger, combination, readjustment of finances, or similar arrangement with respect to any corporation, company, or association, any of the securities of which are held in the Trust, to do any act with reference thereto, including the exercise of options, the making of agreements or subscriptions and the payment of expenses, assessments, or subscriptions that may be deemed necessary or advisable in connection therewith, and to accept, hold, and retain any securities or other property that may be so acquired.

EXHIBIT 2C (continued)

- (k) To deposit any property held in the Trust with any protective, reorganization, or similar committee, and to delegate discretionary power thereto and to pay and agree to pay part of its expenses and compensation and any assessments levied with respect to any such property so deposited.
- (l) To hold, to authorize the holding of, and to register any investment to the Trust in the name of the Plan, the Employer, or any nominee or agent of any of the foregoing, including the Plan Administrator, or in bearer form, to deposit or arrange for the deposit of securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by any other person, and to organize corporations or trusts under the laws of any jurisdiction for the purpose of acquiring or holding title to any property for the Trust, all with or without the addition of words or other action to indicate that property is held in a fiduciary or representative capacity but the books and records of the Plan shall at all times show that all such investments are part of the Trust.
- (m) Upon such terms as may be deemed advisable by the Employer or the Plan Administrator, as the case may be, for the protection of the interests of the Plan or for the preservation of the value of an investment, to exercise and enforce by suit for legal or equitable remedies or by other action, or to waive any right or claim on behalf of the Plan or any default in any obligation owing to the Plan, to renew, extend the time for payment of, agree to a reduction in the rate of interest on, or agree to any other modification or change in the terms of any obligation owing to the Plan, to settle, compromise, adjust, or submit to arbitration any claim or right in favor of or against the Plan, to exercise and enforce any and all rights of foreclosure, bid for property in foreclosure, and take a deed in lieu of foreclosure with or without paying consideration therefor, to commence or defend suits or other legal proceedings whenever any interest of the Plan requires it, and to represent the Plan in all suits or legal proceedings in any court of law or equity or before any body or tribunal.
- (n) To employ suitable consultants, depositories, agents, and legal counsel on behalf of the Plan.
- (o) To make, execute, acknowledge, and deliver any and all deeds, leases, mortgages, conveyances, contracts, waivers, releases, or other instruments in writing necessary or proper for the accomplishment of any of the foregoing powers.
- (p) To open and maintain any bank account or accounts in the name of the Plan, the Employer, or any nominee or agent of the foregoing, including the Plan Administrator, in any bank or banks.
- (q) To do any and all other acts that may be deemed necessary to carry out any of the powers set forth herein.

EXHIBIT 2C (continued)

- 7.03 **Taxes and Expenses.** All taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws upon, or in respect to the Trust, or the income thereof, and all commissions or acquisitions or dispositions of securities and similar expenses of investment and reinvestment of the Trust, shall be paid from the Trust. Such reasonable compensation of the Plan Administrator, as may be agreed upon from time to time by the Employer and the Plan Administrator, and reimbursement for reasonable expenses incurred by the Plan Administrator in performance of its duties hereunder (including but not limited to fees for legal, accounting, investment and custodial services) shall also be paid from the Trust. However, no person who is a fiduciary within the meaning of section 3(21)(A) of ERISA and regulations promulgated thereunder, and who receives full-time pay from the Employer may receive compensation from the Trust, except for expenses properly and actually incurred.
- 7.04 **Payment of Benefits.** The payment of benefits from the Trust in accordance with the terms of the Plan may be made by the Plan Administrator, or by any custodian or other person so authorized by the Employer to make such disbursement. The Plan Administrator, custodian or other person shall not be liable with respect to any distribution of Trust assets made at the direction of the Employer.
- 7.05 **Investment Funds.** In accordance with uniform and nondiscriminatory rules established by the Employer and the Plan Administrator, the Participant may direct his/her Accounts to be invested in one (1) or more investment funds available under the Plan; provided, however, that the Participant's investment directions shall not violate any investment restrictions established by the Employer and shall not include any investment in collectibles, as defined in section 408(m) of the Code.
- 7.06 **Valuation of Accounts.** As of each Accounting Date, the Plan assets held in each investment fund offered shall be valued at fair market value and the investment income and gains or losses for each fund shall be determined. Such investment income and gains or losses shall be allocated proportionately among all Account balances on a fund-by-fund basis. The allocation shall be in the proportion that each such Account balance as of the immediately preceding Accounting Date bears to the total of all such Account balances as of that Accounting Date. For purposes of this Article, all Account balances include the Account balances of all Participants and Beneficiaries.
- 7.07 **Participant Loan Accounts.** Participant Loan Accounts shall be invested in accordance with Section 14.03 of the Plan. Such Accounts shall not share in any investment income and gains or losses of the investment funds described in Section 7.05.

VIII. VESTING

- 8.01 **Vesting Schedule.** The portion of a Participant's Account attributable to Mandatory Participant Contributions, Matched Participant Contributions, or Voluntary Participant Contributions, and the earnings thereon, shall be at all times nonforfeitable by the Participant. A Participant shall have a Nonforfeitable Interest in the percentage of his/her Employer Contribution Account established under Section 4.01 determined pursuant to the schedule elected by the Employer in the Adoption Agreement.

EXHIBIT 2C (continued)

- 8.02 **Crediting Periods of Service.** Except as provided in Section 8.03, all of an Employee's Periods of Service with the Employer are counted to determine the nonforfeitable percentage in the Employee's Account balance derived from Employer Contributions. If the Employer maintains the plan of a predecessor employer, service with such employer will be treated as service for the Employer.

For purposes of determining years of service and Breaks in Service for purposes of computing a Participant's nonforfeitable right to the Account balance derived from Employer Contributions, the twelve (12) consecutive month period will commence on the date the Employee first performs an hour of service and each subsequent twelve (12) consecutive month period will commence on the anniversary of such date.

- 8.03 **Service After Break in Service.** In the case of a Participant who has a Break in Service of at least five (5) years, all Periods of Service after such Breaks in Service will be disregarded for the purpose of determining the nonforfeitable percentage of the Employer-derived Account balance that accrued before such Break, but both pre-Break and post-Break service will count for the purposes of vesting the Employer-derived Account balance that accrues after such Break. Both Accounts will share in the earnings and losses of the fund.

In the case of a Participant who does not have a Break in Service of at least five (5) years, both the pre-Break and post-Break service will count in vesting both the pre-Break and post-Break Employer-derived Account balance.

In the case of a Participant who does not have any nonforfeitable right to the Account balance derived from Employer Contributions, years of service before a period of consecutive one (1) year Breaks in Service will not be taken into account in computing eligibility service if the number of consecutive one (1) year Breaks in Service in such period equals or exceeds the greater of five (5) or the aggregate number of years of service. Such aggregate number of years of service will not include any years of service disregarded under the preceding sentence by reason of prior Breaks in Service.

If a Participant's years of service are disregarded pursuant to the preceding paragraph, such Participant will be treated as a new Employee for eligibility purposes. If a Participant's years of service may not be disregarded pursuant to the preceding paragraph, such Participant shall continue to participate in the Plan, or, if terminated, shall participate immediately upon reemployment.

- 8.04 **Vesting Upon Normal Retirement Age.** Notwithstanding Section 8.01 of the Plan, a Participant shall have a Nonforfeitable Interest in his/her entire Employer Contribution Account, to the extent that the balance of such Account has not previously been forfeited pursuant to Section 8.06 of the Plan, if he/she is employed on or after his/her Normal Retirement Age.
- 8.05 **Vesting Upon Death or Disability.** Notwithstanding Section 8.01 of the Plan, in the event of Disability or death, a Participant or his/her Beneficiary shall have a Nonforfeitable Interest in his/her entire Employer Contribution Account, to the extent that the balance of such Account has not previously been forfeited pursuant to Section 8.06 of the Plan.

EXHIBIT 2C (continued)

- 8.06 Forfeitures. Except as provided in Sections 8.04 and 8.05 of the Plan or as otherwise provided in this Section 8.06, a Participant who separates from service prior to obtaining full vesting shall forfeit that percentage of his/her Employer Contribution Account balance which has not vested as of the date such Participant incurs a Break in Service of five (5) consecutive years or, if earlier, the date such Participant receives, or is deemed under the provisions of Section 10.04 to have received, distribution of the entire Nonforfeitable Interest in his/her Employer Contribution Account. If a Participant receives a voluntary distribution of less than the entire vested portion of his/her Employer Contribution Account, the part of the nonvested portion that will be treated as a forfeiture is the total nonvested portion multiplied by a fraction, the numerator of which is the amount of the distribution attributable to Employer Contributions and the denominator of which is the total value of the vested Employer Contribution Account.

If a Participant receives distribution of less than the entire vested portion of his/her Employer Contribution Account prior to January 1, 1994, the preceding sentence shall not apply to such Participant, and the following rule shall apply to those distributions (as described in the rule) from his/her Account on or after January 1, 1994. If a distribution from his/her Employer Contribution Account is made at a time when the Participant has less than a one hundred percent (100%) Nonforfeitable Interest in such Account, and the Participant may increase the percentage of his/her Nonforfeitable Interest in such Account (i.e., by a return to Employee status in a Covered Employment Classification), then at any relevant time the Participant's vested portion of such account is equal to an amount (X) determined by the formula: $X = P(AB - (R \times D)) - (R \times D)$. For purposes of applying the formula: P is the percentage of his/her Nonforfeitable Interest in such Account at the relevant time; AB is the account balance of such Account at the relevant time; D is the amount of the distribution; R is the ratio of the account balance of such Account at the relevant time to the account balance of such Account after distribution; and the relevant time is the time at which, under the Plan, the percentage of his/her Nonforfeitable Interest in such Account cannot increase (i.e., after a Break in Service).

No forfeiture will occur solely as a result of a Participant's withdrawal of Employee Contributions.

Forfeitures shall be allocated in the manner described in Section 4.02.

- 8.07 Reinstatement of Forfeitures. If the Participant returns to the employment of the Employer before incurring a Break in Service of five (5) consecutive years, any amounts forfeited pursuant to Section 8.06 shall be reinstated to the Participant's Employer Contribution Account on the date of repayment by the Participant of the amount distributed to such Participant from his/her Employer Contribution Account; provided, however, that if such Participant forfeited his/her Account balance by reason of a deemed distribution, pursuant to Section 10.04, such amounts shall be automatically restored upon the reemployment of such Participant. Such repayment must be made before the earlier of five (5) years after the first date on which the Participant is subsequently reemployed by the Employer, or the date the Participant incurs a Break in Service of five (5) consecutive years.

EXHIBIT 2C (continued)

IX. BENEFITS CLAIM

- 9.01 **Claim of Benefits.** A Participant, Employee or Beneficiary shall notify the Plan Administrator in writing of a claim of benefits under the Plan. The Plan Administrator shall take such steps as may be necessary to facilitate the payment of such benefits to the Participant, Employee or Beneficiary.
- 9.02 **Appeal Procedure.** If any claim for benefits is denied by the Plan Administrator, the Plan Administrator shall notify the claimant in writing of such denial, setting forth the specific reasons and citing reference to specific provisions of the Plan upon which the denial is based. An appeal period of sixty (60) days after receipt of the notification of denial shall be granted, and said notification shall advise the claimant of the appeal procedure. The claimant shall file the appeal with the Plan Administrator, whose decision shall be final, to the extent provided by Section 16.07.

X. COMMENCEMENT OF BENEFITS

- 10.01 **Normal and Elective Commencement of Benefits.** Unless the Participant elects otherwise, distribution of benefits will begin no later than the sixtieth (60th) day after the latest of the close of the Plan Year in which:
- (a) The Participant attains age sixty-five (65) (or Normal Retirement Age, if earlier);
 - (b) The Participant terminates service with the Employer; or
 - (c) Occurs the tenth (10th) anniversary of the year in which the Participant commenced participation in the Plan.

Notwithstanding the foregoing, the failure of a Participant and the Participant's Spouse to consent to a distribution while a benefit is immediately distributable, within the meaning of section 10.02 of the Plan, shall be deemed to be an election to defer commencement of payment of any benefit sufficient to satisfy this section.

A Participant who retires, becomes Disabled or separates from service for any other reason may elect by written notice to the Plan Administrator to have the distribution of benefits commence on a date earlier or later than that described in this Section 10.01, provided that such earlier distribution complies with Section 10.02. Such election must be made in writing during the ninety (90) day period ending on the date as of which benefit payments are to commence. A Participant's election shall be revocable and may be amended by the Participant.

- 10.02 **Restrictions on Immediate Distributions.** Notwithstanding anything to the contrary in Section 10.01 of the Plan, if the value of a Participant's vested Account balance exceeds (or at any time of any prior distribution exceeded) \$3,500, and the Account balance is immediately distributable, the Participant and the Participant's Spouse (or where either has died, the survivor) must consent to any distribution of such Account balance. The

EXHIBIT 2C (continued)

consent of the Participant and the Participant's Spouse shall be obtained in writing during the ninety (90) day period ending on the date as of which benefit payments are to commence.

The Plan Administrator shall notify the Participant and the Participant's Spouse of the right to defer any distribution until the Participant's Account balance is no longer immediately distributable. Such notification shall include a general description of the material features, and an explanation of the relative values of, the optional forms of benefit available under the Plan in a manner that would satisfy section 417(a)(3) of the Code, and shall be provided no less than thirty (30) and no more than ninety (90) days before the date as of which benefit payments are to commence. However, distribution may commence less than thirty (30) days after the notice described in the preceding sentence is given, provided the distribution is one to which sections 401(a)(11) and 417 of the Code do not apply, the Plan Administrator clearly informs the Participant that the Participant has a right to a period of at least thirty (30) days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and the Participant, after receiving the notice, affirmatively elects a distribution.

Notwithstanding the foregoing, only the Participant need consent to the commencement of a distribution in the form of the Qualified Joint and Survivor Annuity while the Account balance is immediately distributable. (Furthermore, if payment in the form of a Qualified Joint and Survivor Annuity is not required with respect to the Participant pursuant to section 13.02 of the Plan, only the Participant need consent to the distribution of an Account balance that is immediately distributable.) Neither the consent of the Participant nor the Participant's Spouse shall be required for any form of distribution to the extent that a distribution is required to satisfy section 401(a)(9) or 415 of the Code.

In addition, upon termination of this Plan if the Plan does not offer an annuity option (purchased from a commercial provider) and if the Employer or any entity within the same controlled group as the Employer does not maintain another defined contribution plan, (other than an employee stock ownership plan as defined in section 4975(e)(7) of the Code), the Participant's Account balance will, without the Participant's consent, be distributed to the Participant. However, if any entity within the same controlled group as the Employer maintains another defined contribution plan (other than an employee stock ownership plan as defined in section 4975(e)(7) of the Code) then the Participant's Account balance will be transferred, without the Participant's consent to the other plan if the Participant does not consent to an immediate distribution.

An Account balance is immediately distributable if any part of the Account balance could be distributed to the Participant (or Surviving Spouse) before the Participant attains or would have attained (if not deceased) the later of Normal Retirement Age or age sixty-two (62).

For purposes of determining the applicability of the foregoing consent requirements to distributions made before the first day of the first plan year beginning after December 31, 1988, the Participant's vested Account balance shall not include amounts attributable to accumulated deductible employee contributions within the meaning of section 72(o)(5)(B) of the Code.

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EXHIBIT 2C (continued)

10.03 Transfer to Another Plan.

- (a) If a Participant terminates employment and becomes entitled to receive a distribution under the Plan and becomes employed with another employer, the Plan Administrator shall, at the written election of such Participant, transfer all of such Participant's Nonforfeitable Interest in his/her Account, to the maximum extent permitted under the Code, to the new employer's plan, provided that the new employer certifies to the Plan Administrator that its plan provides for the acceptance of such a transfer. For purposes of this Plan, any such transfer shall not be considered a distribution to the Participant subject to spousal consent as described in Section 10.02 and Article XIII.
- (b) If a Participant becomes eligible to participate in another plan maintained by the Employer that is qualified under section 401(a) of the Code, the Plan Administrator shall, at the written election of such Participant, transfer all or part of such Participant's Account to such plan, provided the plan administrator for such plan certifies to the Plan Administrator that its plan provides for the acceptance of such a transfer. For purposes of this Plan, any such transfer shall not be considered a distribution to the Participant subject to spousal consent as described in Section 10.02 and Article XIII.
- (c) This Subsection applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover. For purposes of this Plan, any such Eligible Rollover Distribution shall be considered a distribution to the Participant subject to spousal consent as described in Section 10.02 and Article XIII.
- (d) Definitions. For the purposes of Subsection (c), the following definitions shall apply:
 - (1) Eligible Rollover Distribution. Any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life or life expectancy of the Distributee or the joint lives or joint life expectancies of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under section 401(a)(9) of the Code; the portion of any distribution that is not includible in gross income; and any other distribution(s) that is reasonably expected to total less than \$200 during a year.
 - (2) Eligible Retirement Plan. An individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in section 403(a) of the Code, or a qualified trust described in section 401(a) of the Code, that accepts

EXHIBIT 2C (continued)

the Distributee's Eligible Rollover Distribution. However, in the case of an Eligible Rollover Distribution to the Surviving Spouse, an Eligible Retirement Plan is an individual retirement account or individual retirement annuity.

- (3) Distributee. Participant; in addition, the Participant's surviving spouse and the Participant's spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are Distributees with regard to the interest of the spouse or former spouse.
- (4) Direct Rollover. A payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

10.04 De Minimis Accounts. Notwithstanding the foregoing provisions of this Article, if a Participant terminates service, and the value of his/her Nonforfeitable Interest in his/her Account is not greater than \$3,500, the Participant shall be paid his/her benefits as soon as practicable after such termination, but, in no event, later than the second Plan Year following the Plan Year in which the Participant terminated employment. For purposes of this Section, if a Participant's Nonforfeitable Interest in his/her Account is zero, the Participant shall be deemed to have received a distribution of such Nonforfeitable Interest in his/her Account.

A Participant's Nonforfeitable Interest in his/her Account shall not include accumulated Deductible Employee Contributions within the meaning of Section 72(o)(5)(B) of the Code for Plan Years beginning prior to January 1, 1989.

- 10.05 Withdrawal of Voluntary Contributions. A Participant may make a written election, or if married, a Qualified Election, to withdraw a part of or the full amount of his/her Voluntary Contribution Account. Such withdrawals may be made at any time, provided that no more than two (2) such withdrawals may be made during any calendar year. No forfeiture will occur solely as the result of any such withdrawal.
- 10.06 Withdrawal of Deductible Employee Contributions. A Participant may make a written election, or if married, a Qualified Election, to withdraw a part of or the full amount of his/her Deductible Employee Contribution Account. Such withdrawals may be made at any time, provided that no more than two (2) such withdrawals may be made during any calendar year. No forfeiture will occur solely as the result of any such withdrawal.
- 10.07 Latest Commencement of Benefits. Notwithstanding anything to the contrary in this Article, benefits shall begin no later than the Participant's Required Beginning Date, as defined under Section 11.06, or as otherwise provided in Section 11.05.

EXHIBIT 2C (continued)

- (2) If the Designated Beneficiary is the Participant's surviving spouse, the date distributions are required to begin in accordance with Subsection (1) shall not be earlier than the later of (i) December 31 of the calendar year immediately following the calendar year in which the Participant died, and (ii) December 31 of the calendar year in which the Participant would have attained age seventy and one-half (70-1/2).

If the Participant has not made an election pursuant to this Subsection by the time of his/her death, the Participant's Designated Beneficiary must elect the method of distribution no later than the earlier of (i) December 31 of the calendar year in which distributions would be required to begin under this Section, or (ii) December 31 of the calendar year which contains the fifth (5th) anniversary of the date of death of the Participant. If the Participant has no Designated Beneficiary, or if the Designated Beneficiary does not elect a method of distribution, distribution of the Participant's entire interest must be completed by December 31 of the calendar year containing the fifth (5th) anniversary of the Participant's death.

- (c) For purposes of Subsection (b), if the surviving spouse dies after the Participant, but before payments to such spouse begin, the provisions of Subsection (b), with the exception of paragraph (2) therein, shall be applied as if the surviving spouse were the Participant.
- (d) For purposes of this Section, any amount paid to a child of the Participant will be treated as if it had been paid to the surviving spouse if the amount becomes payable to the surviving spouse when the child reaches the age of majority.
- (e) For the purposes of this Section, distribution of a Participant's interest is considered to begin on the Participant's Required Beginning Date (or, if Subsection (c) is applicable, the date distribution is required to begin to the surviving spouse pursuant to Subsection (b)). If distribution in the form of an annuity irrevocably commences to the participant before the Required Beginning Date, the date distribution is considered to begin is the date distribution actually commences.

11.06 Definitions. For the purposes of this Section, the following definitions shall apply:

- (a) **Applicable Life Expectancy.** The Life Expectancy (or Joint and Last Survivor Expectancy) calculated using the attained age of the Participant (or Designated Beneficiary) as of the Participant's (or Designated Beneficiary's) birthday in the applicable calendar year reduced by one (1) for each calendar year which has elapsed since the date Life Expectancy was first calculated. If Life Expectancy is being recalculated, the Applicable Life Expectancy shall be the Life Expectancy as so recalculated. The applicable calendar year shall be the first Distribution Calendar Year, and if Life Expectancy is being recalculated such succeeding calendar year.
- (b) **Designated Beneficiary.** The individual who is designated as the Beneficiary under the Plan in accordance with section 401(a)(9) of the Code and the proposed regulations thereunder.

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from service.

- (b) Any living Participant not receiving benefits on August 23, 1984, who was credited with at least one (1) hour of service under this Plan or a predecessor plan on or after September 2, 1974, and who is not otherwise credited with any service in a Plan Year beginning on or after January 1, 1976, must be given the opportunity to have his/her benefits paid in accordance with Subsection (d).
- (c) The respective opportunities to elect (as described in Subsections (a) and (b) above) must be afforded to the appropriate Participants during the period commencing on August 23, 1984, and ending on the date benefits would otherwise commence to said Participants.
- (d) Any Participant who has elected pursuant to Subsection (b) and any Participant who does not elect under Subsection (a) or who meets the requirements of Subsection (a) except that such Participant does not have at least ten (10) years of vesting service when he/she separates from service, shall have his/her benefits distributed in accordance with all of the following requirements if benefits would have been payable in the form of a life annuity:
- (1) Automatic joint and survivor annuity. If benefits in the form of a life annuity become payable to a married Participant who:
- (a) Begins to receive payments under the Plan on or after normal retirement age; or
- (b) Dies on or after normal retirement age while still working for the Employer; or

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EXHIBIT 2C (continued)

- (c) Begins to receive payments on or after the qualified early retirement age; or
- (d) Separates from service on or after attaining normal retirement age (or the qualified early retirement age) and after satisfying the eligibility requirements for the payment of benefits under the Plan and thereafter dies before beginning to receive such benefits;

then such benefits will be received under this Plan in the form of a Qualified Joint and Survivor Annuity, unless the Participant has elected otherwise during the election period described herein. Such election period must begin at least six (6) months before the Participant attains qualified early retirement age and end not more than ninety (90) days before the commencement of benefits. Any election hereunder will be in writing and may be changed by the Participant at any time.

- (2) Election of early survivor annuity. A Participant who is employed after attaining the qualified early retirement age will be given the opportunity to elect, during the election period described herein, to have a survivor annuity payable on death. If the Participant elects the survivor annuity, payments under such annuity must not be less than the payments which would have been made to the Spouse under the Qualified Joint and Survivor Annuity if the Participant had retired on the day before his/her death. Any election under this provision will be in writing and may be changed by the Participant at any time. The election period begins on the later of (1) the ninetieth (90th) day before the Participant attains the qualified early retirement age, or (2) the date on which participation begins, and ends on the date the Participant terminates employment.
- (3) For purposes of this Subsection (d):
 - (a) Qualified early retirement age is the latest of:
 - (i) The earliest date, under the Plan, on which the Participant may elect to receive retirement benefits.
 - (ii) The first day of the 120th month beginning before the Participant reaches normal retirement age, or
 - (iii) The date the Participant begins participation.
 - (b) Qualified Joint and Survivor Annuity is an annuity for the life of the Participant with a survivor annuity for the life of the Spouse as described in Section 13.06(e).

EXHIBIT 2C (continued)

13.06 Definitions. For the purposes of this Section, the following definitions shall apply:

- (a) **Annuity Starting Date:** The first day of the first period for which an amount is paid as an annuity or any other form.
- (b) **Election Period:** The period which begins on the first day of the Plan Year in which the Participant attains age thirty-five (35) and ends on the date of the Participant's death. If a Participant separates from service prior to the first day of the Plan Year in which age thirty-five (35) is attained, with respect to the Account balance as of the date of separation, the Election Period shall begin on the date of separation.

Pre-age thirty-five (35) waiver: A Participant who will not yet attain age thirty-five (35) as of the end of any current Plan Year may make a special Qualified Election to waive the qualified preretirement survivor annuity for the period beginning on the date of such election and ending on the first day of the Plan Year in which the Participant will attain age thirty-five (35). Such election shall not be valid unless the Participant receives a written explanation of the qualified preretirement survivor annuity in such terms as are comparable to the explanation required under Section 13.04(a). Qualified preretirement survivor annuity coverage will be automatically reinstated as of the first day of the Plan Year in which the Participant attains age thirty-five (35). Any new waiver on or after such date shall be subject to the full requirements of this Article.

- (c) **Earliest Retirement Age:** The earliest date on which, under the Plan, the Participant could elect to receive retirement benefits.
- (d) **Qualified Election:** A waiver of a Qualified Joint and Survivor Annuity or a qualified preretirement survivor annuity. Any waiver of a Qualified Joint and Survivor Annuity or a qualified preretirement survivor annuity shall not be effective unless: (a) the Participant's Spouse consents in writing to the election; (b) the election designates a specific Beneficiary, including any class of Beneficiaries or any contingent Beneficiaries, which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further spousal consent); (c) the Spouse's consent acknowledges the effect of the election; and (d) the Spouse's consent is witnessed by a Plan representative or notary public. Additionally, a Participant's waiver of the Qualified Joint and Survivor Annuity shall not be effective unless the election designates a form of benefit payment which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further Spousal consent). If it is established to the satisfaction of a Plan representative that there is no Spouse or that the Spouse cannot be located, a waiver will be deemed a Qualified Election.

Any consent by a Spouse obtained under this provision (or establishment that the consent of a Spouse may not be obtained) shall be effective only with respect to such Spouse. A consent that permits designations by the Participant without any requirement of further consent by such Spouse must acknowledge that the Spouse has the right to limit consent to a specific Beneficiary, and a specific form of benefit

EXHIBIT 2C (continued)

- 17.02 Rights to Trust Assets. No Employee or Beneficiary shall have any right to, or interest in, any assets of the Trust upon termination of his/her employment or otherwise, except as provided from time to time under this Plan, and then only to the extent of the benefits payable under the Plan to such Employee or Beneficiary out of the assets of the Trust. All payments of benefits as provided for in this Plan shall be made solely out of the assets of the Trust and none of the fiduciaries shall be liable therefor in any manner.
- 17.03 Nonalienation of Benefits. Except as provided in Section 17.04 of the Plan, benefits payable under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy of any kind, either voluntary or involuntary, prior to actually being received by the person entitled to the benefit under the terms of the Plan; and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or otherwise dispose of any right to benefits payable hereunder, shall be void. The Trust shall not in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements or torts of any person entitled to benefits hereunder.
- 17.04 Qualified Domestic Relations Order. Notwithstanding Section 17.03 of the Plan, amounts may be paid with respect to a Participant pursuant to a domestic relations order, but if and only if the order is determined to be a qualified domestic relations order within the meaning of section 414(p) of the Code or any domestic relations order entered before January 1, 1985.
- 17.05 Nonforfeiture of Benefits. Subject only to the specific provisions of this Plan, nothing shall be deemed to deprive a Participant of his/her right to the Nonforfeitable Interest to which he/she becomes entitled in accordance with the provisions of the Plan.
- 17.06 Incompetency of Payee. In the event any benefit is payable to a minor or incompetent, to a person otherwise under legal disability, or to a person who, in the sole judgment of the Employer, is by reason of advanced age, illness, or other physical or mental incapacity incapable of handling the disposition of his/her property, the Employer may apply the whole or any part of such benefit directly to the care, comfort, maintenance, support, education, or use of such person or pay or distribute the whole or any part of such benefit to:
- (a) The parent of such person;
 - (b) The guardian, committee, or other legal representative, wherever appointed, of such person;
 - (c) The person with whom such person resides;
 - (d) Any person having the care and control of such person; or
 - (e) Such person personally.

The receipt of the person to whom any such payment or distribution is so made shall be full and complete discharge therefor.

EXHIBIT 2C (continued)

- (c) If this Plan is a part of a Required Aggregation Group and part of a Permissive Aggregation Group of plans and the top-heavy ratio for the Permissive Aggregation Group exceeds sixty percent (60%).

18.04 Top-heavy Ratios:

- (a) If the Employer maintains one (1) or more defined contribution plans (including any simplified employee pension plan) and the Employer has not maintained any defined benefit plan which during the five (5) year period ending on the Determination Date(s) has or has had accrued benefits, the top-heavy ratio for this Plan alone or for the Required or Permissive Aggregation Group as appropriate is a fraction, the numerator of which is the sum of the account balances of all Key Employees as of the Determination Date(s) (including any part of any account balance distributed in the five (5) year period ending on the Determination Date(s)), and the denominator of which is the sum of all account balances (including any part of any account balance distributed in the five (5) year period ending on the Determination Date(s)), both computed in accordance with section 416 of the Code and the regulations thereunder. Both the numerator and denominator of the top-heavy ratio are increased to reflect any contribution not actually made as of the Determination Date, but which is required to be taken into account on that date under section 416 of the Code and the regulations thereunder.
- (b) If the Employer maintains one (1) or more defined contribution plans (including any simplified employee pension plan) and the Employer maintains or has maintained one (1) or more defined benefit plans which during the five (5) year period ending on the Determination Date(s) has or has had any accrued benefits, the top-heavy ratio for any Required or Permissive Aggregation Group as appropriate is a fraction, the numerator of which is the sum of account balances under the aggregated defined contribution plan or plans for all Key Employees, determined in accordance with (a) above, and the Present Value of accrued benefits under the aggregated defined benefit plan or plans for all Key Employees as of the Determination Date(s), and the denominator of which is the sum of the account balances under the aggregated defined contribution plan or plans for all Participants, determined in accordance with (a) above, and the Present Value of accrued benefits under the defined benefit plan or plans for all Participants as of the Determination Date(s), all determined in accordance with section 416 of the Code and the regulations thereunder. The accrued benefits under a defined benefit plan in both the numerator and denominator of the top-heavy ratio are increased for any distribution of an accrued benefit made in the five (5) year period ending on the Determination Date.
- (c) For purposes of (a) and (b) above, the value of account balances and the Present Value of accrued benefits will be determined as of the most recent Valuation Date that falls within or ends with the twelve (12) month period ending on the Determination Date, except as provided in section 416 of the Code and the regulations thereunder for the first and second Plan Years of a defined benefit plan. The Account balances and accrued benefits of a Participant (1) who is not a Key Employee but who was a Key Employee in a prior year, or (2) who has not been credited with ac

EXHIBIT 2C (continued)

least one (1) hour of service with any Employer maintaining the Plan at any time during the five (5) year period ending on the Determination Date will be disregarded. The calculation of the top-heavy ratio, and the extent to which distributions, rollovers, and transfers are taken into account will be made in accordance with section 416 of the Code and the regulations thereunder. Deductible Employee Contributions will not be taken into account for purposes of computing the top-heavy ratio. When aggregating plans the value of account balances and accrued benefits will be calculated with reference to the Determination Dates that fall within the same calendar year.

The accrued benefit of a Participant other than a Key Employee shall be determined under (a) the method, if any, that uniformly applies for accrual purposes under all defined benefit plans maintained by the Employer, or (b) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of section 411(b)(1)(C) of the Code.

- 18.05 Vesting Schedule. For any Plan Year in which this Plan is top-heavy, the Nonforfeitable Interest of each Employee in his/her account balance attributable to Employer Contributions shall be determined on the basis of the following: one hundred percent (100%) vesting at all times. The minimum vesting schedule applies to all benefits within the meaning of section 411(a)(7) of the Code except those attributable to Employer Contributions, including benefits accrued before the effective date of section 416 of the Code and benefits accrued before the Plan became top-heavy. Further, no decrease in a Participant's nonforfeitable percentage may occur in the event the Plan's status as top-heavy changes for any Plan Year. However, this Section does not apply to the Account balances of any Employee who does not have an hour of service after the Plan has initially become top-heavy and such Employee's Account balance attributable to Employer Contributions and forfeitures will be determined without regard to this Section.

If the vesting schedule under the Plan shifts in or out of the above schedule for any Plan Year because of the Plan's top-heavy status, such shift is an amendment to the vesting schedule and the election in Section 15.02 of the Plan applies.

18.06 Minimum Employer Contribution.

- (a) Except as otherwise provided in Subsection (c) below, the Employer Contributions and forfeitures allocated on behalf of any Participant who is not a Key Employee for any Plan Year for which the Plan is top heavy shall not be less than the lesser of three percent (3%) of such Participant's Compensation or in the case where the Employer has no defined benefit plan which designates this Plan to satisfy section 401 of the Code, the largest percentage of Employer Contributions and forfeitures, as a percentage of the Key Employee's Compensation, as limited by section 401(a)(17) of the Code, allocated on behalf of any Key Employee for that year. The minimum allocation is determined without regard to any Social Security contribution. This minimum allocation shall be made even though, under other Plan provisions, the Participant would not otherwise be entitled to receive an allocation, or would have received a lesser allocation for the year because of (i) the

EXHIBIT 2D:
OPINION LETTER FROM IRS

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
31 HOPKINS PLAZA
BALTIMORE, MD 21201-0000

DEPARTMENT OF THE TREASURY

Date: December 19, 1994

Employer Identification Number:
23-7268394

File Folder Number:
524195046

Person to contact:
G.N. WALLACE

Contact Telephone Number:
(410) 962-9197

International City Management
Association Retirement Corporation
777 North Capitol Street, NE
Washington, DC 20002-4240

Plan Name:
ICMA Retirement Corporation Prototype
Money Purchase Plan & Trust
Plan Number: 001
Letter Serial Number:
08520096

Dear Applicant:

The amendment to the form of the plan identified above is acceptable under section 401 (a) of the Internal Revenue Code. This letter relates only to the amendment to the form of the plan. It is not a determination of any other amendment or of the form of the plan as a whole, or on the effect of other federal or local statutes.

You must furnish a copy of this letter and the enclosed publication to each employer who adopts this plan. You are also required to send a copy of this letter, a copy of the approved form of the plan, and any approved amendments and related documents to each key District Director of the Internal Revenue Service in whose jurisdiction there are adopting employers.

The acceptability of the form of the plan is not a ruling or determination as to whether an employer's plan qualifies under Code section 401(a) or 403(a). Therefore, an employer adopting the form of the plan should apply for a determination letter by filing an application with the key District Director of the Internal Revenue Service on Form 5107, Application for Determination for Adopters of Master or Prototype, Regional Prototype or Volume Submitter Plans.

Please advise those adopting the plan to contact you if they have any questions about the operation of the plan.

We have sent a copy of this letter to your representative as indicated in your Power of Attorney.

The original opinion letter for this plan was issued on September 26, 1991.

Letter 2026 (DO/CG)

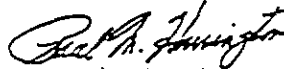
EXHIBIT 2D (continued)

-2-

If you have any questions concerning the IRS processing of this case, please call the above telephone number. If you write, please provide your telephone number and the most convenient time for us to call in case we need more information. Whether you call or write, please refer to the Letter Serial Number shown in the heading of this letter.

You should keep this letter as a permanent record.

Sincerely yours,


District Director

Enclosure(s)
Publication 1488

EXHIBIT 2E:
DECLARATION OF TRUST

ICMA RETIREMENT TRUST

DECLARATION OF TRUST
OF THE ICMA RETIREMENT TRUST

amended January 1995

EXHIBIT 2E (continued)

DECLARATION OF TRUST OF ICMA RETIREMENT TRUST

ARTICLE I. NAME AND DEFINITIONS

Section 1.1 Name: The Name of the Trust created hereby is the ICMA Retirement Trust.

Section 1.2 Definitions: Wherever they are used herein, the following terms shall have the following respective meanings:

- (a) **By-laws.** The By-laws referred to in Section 4.1 hereof, as amended from time to time.
- (b) **Deferred Compensation Plan.** A deferred compensation plan established and maintained by a Public Employer for the purpose of providing retirement income and other deferred benefits to its employees in accordance with the provision of section 457 of the Internal Revenue Code of 1986, as amended.
- (c) **Employees.** Those employees who participate in Qualified Plans.
- (d) **Employer Trust.** A trust created pursuant to an agreement between RC and a Public Employer, or an agreement between RC and a Public Employer for administrative services that is not a trust, in either case for the purpose of investing and administering the funds set aside by such Employer in connection with its Deferred Compensation agreements with its employees or in connection with its Qualified Plan.
- (e) **Investment Contract.** A non-negotiable contract entered into by the Retirement Trust with a financial institution that provides for a fixed rate of return on investment.
- (f) **ICMA.** The International City/County Management Association.
- (g) **ICMA/RC Trustees.** Those Trustees elected by the Public Employers who, in accordance with the provisions of Section 3.1(a) hereof, are also members of the Board of Directors of ICMA or RC (or in the case of RC, former members of the RC Board).
- (h) **Investment Adviser.** The Investment Adviser that enters into a contract with the Retirement Trust to provide advice with respect to investment of the Trust Property.
- (i) **Portfolios.** The separate commingled accounts of investment established by the Investment Adviser to the Retirement Trust, under the supervision of the Trustees, for the purpose of providing investments for the Trust Property.
- (j) **Public Employee Trustees.** Those Trustees elected by the Public Employers who, in accordance with the provision of Section 3.1(a) hereof, are full-time employees of Public Employers.
- (k) **Public Employer Trustees.** Public Employers who serve as trustees of the Qualified Plans.
- (l) **Public Employer.** A unit of state or local government, or any agency or instrumentality thereof, that has adopted a Deferred Compensation Plan or a Qualified Plan and has executed this Declaration of Trust.
- (m) **Qualified Plan.** A plan sponsored by a Public Employer for the purpose of providing retirement income to its employees which satisfies the qualification requirements of Section 401 of the Internal Revenue Code, as amended.
- (n) **RC.** The International City Management Association Retirement Corporation.
- (o) **Retirement Trust.** The Trust created by this Declaration of Trust.
- (p) **Trust Property.** The amounts held in the Retirement Trust on behalf of the Public Employers in connection with Deferred Compensation Plans and on behalf of the Public Employer Trustees for the exclusive benefit of Employees pursuant to Qualified Plans. The Trust Property shall include any income resulting from the investment to the amounts so held.
- (q) **Trustees.** The Public Employer Trustees and ICMA/RC Trustees elected by the Public Employers to serve as members of the Board of Trustees of the Retirement Trust.

ARTICLE II. CREATION AND PURPOSE OF THE TRUST; OWNERSHIP OF TRUST PROPERTY

Section 2.1 Creation: The Retirement Trust was created by the execution of this Declaration of Trust by the initial Trustees and Public Employers and is established with respect to each participating Public Employer by adoption of this Declaration of Trust.

Section 2.2 Purpose: The purpose of the Retirement Trust is to provide for the commingled investment of funds held by the Public Employers in connection with their Deferred Compensation and Qualified Plans. The Trust Property shall be invested in the Portfolios, in Investment Contracts, and in other investments recommended by the Investment Adviser under the supervision of the Board of Trustees. No part of the Trust Property will be invested in securities issued by Public Employers.

Section 2.3 Ownership of Trust Property: The Trustees shall have legal title to the Trust Property. The Public Employers shall be the beneficial owners of the portion of the Trust Property allocable to the Deferred Compensation Plans. The portion of the Trust Property allocable to the Qualified Plans shall be held for the Public Employer Trustees for the exclusive benefit of the Employees.

ARTICLE III. TRUSTEES

Section 3.1 Number and Qualification of Trustees: (a) The Board of Trustees shall consist of nine Trustees. Five of the Trustees shall be full-time employees of a Public Employer (the Public Employer Trustees) who are authorized by such Public Employer to serve as Trustee. The remaining four Trustees shall consist of two persons who, at the time of election to the Board of Trustees, are members of the Board of Directors of ICMA and two persons who, at the time of election, are members or former members of the Board of Directors of RC (the ICMA/RC Trustees). One of the Trustees who is a director of ICMA, and one of the Trustees who is a director of RC, shall, at the time of election, be full-time employees of Public Employers. (b) No person may serve as a Trustee for more than two terms in any ten-year period.

Section 3.2 Election and Term: (a) Except for the Trustees appointed to fill vacancies pursuant to Section 3.3 hereof, the Trustees shall be elected by a vote of a majority of the voting Public Employers in accordance with the procedures set forth in the By-Laws. (b) At the first election of Trustees, three Trustees shall be elected for a term of three years, three Trustees shall be elected for a term of two years and three Trustees shall be elected for a term of one year. At each subsequent election, three Trustees shall be elected, each to serve for a term of three years and until his or her successor is elected and qualified.

amended January 1995

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EXHIBIT 2E (continued)

Section 3.3 Nominations: The Trustees who are full-time employees of Public Employers shall serve as the Nominating Committee for the Public Employee Trustees. The Nominating Committee shall choose candidates for Public Employee Trustees in accordance with the procedures set forth in the By-Laws.

Section 3.4 Resignation and Removal: (a) Any Trustee may resign as Trustee (without need for prior or subsequent accounting) by an instrument in writing signed by the Trustee and delivered to the other Trustees and such resignation shall be effective upon such delivery, or at a later date according to the terms of the instrument. Any of the Trustees may be removed for cause, by a vote of a majority of the Public Employers. (b) Each Public Employee Trustee shall resign his or her position as Trustee within sixty days of the date on which he or she ceases to be a full-time employee of a Public Employer.

Section 3.5 Vacancies: The term of office of a Trustee shall terminate and a vacancy shall occur in the event his or her death, resignation, removal, adjudicated incompetence or other incapacity to perform the duties of the office of a Trustee. In the case of a vacancy, the remaining Trustees shall appoint such person as they in their discretion shall see fit (subject to the limitations set forth in this Section), to serve for the unexpired portion of the term of the Trustee who has resigned or otherwise ceased to be a Trustee. The appointment shall be made by a written instrument signed by a majority of the Trustees. The person appointed must be the same type of Trustee (i.e., Public Employee Trustee or ICMA/ARC Trustee) as the person who has ceased to be a Trustee. An appointment of a Trustee may be made in anticipation of a vacancy to occur at a later date by reason of retirement or resignation, provided that such appointment shall not become effective prior to such retirement or resignation. Whenever a vacancy shall occur, until such vacancy is filled as provided in this Section 3.5, the Trustees in office, regardless of their number, shall have all the powers granted to the Trustees and shall discharge all the duties imposed upon the Trustees by this Declaration. A written instrument certifying the existence of a vacancy signed by a majority of the Trustees shall be conclusive evidence of the existence of such vacancy.

Section 3.6 Trustees Serve in Representative Capacity: By executing this Declaration, each Public Employer agrees that the Public Employee Trustees elected by the Public Employers are authorized to act as agents and representatives of the Public Employers collectively.

ARTICLE IV. POWERS OF TRUSTEES

Section 4.1 General Powers: The Trustees shall have the power to conduct the business of the Trust and to carry on its operations. Such power shall include, but shall not be limited to, the power to:

- (a) receive the Trust Property from the Public Employers, Public Employer Trustees or the trustee or administrator under any Employer Trust;
- (b) enter into a contract with an Investment Adviser providing, among other things, for the establishment and operation of the Portfolios, selection of the Investment Contracts in which the Trust Property may be invested, selection of the other investments for the Trust Property and the payment of reasonable fees to the Investment Adviser and to any sub-investment adviser retained by the Investment Adviser;
- (c) review annually the performance of the Investment Adviser and approve annually the contract with such Investment Adviser;
- (d) invest and reinvest the Trust Property in the Portfolios,

the Investment Contracts and in any other investment recommended by the Investment Adviser, but not including securities issued by Public Employers, provided that if a Public Employer has directed that its monies be invested in one or more specified Portfolios or in an Investment Contract, the Trustees of the Retirement Trust shall invest such monies in accordance with such directions;

- (e) keep such portion of the Trust Property in cash or cash balances as the Trustees, from time to time, may deem to be in the best interest of the Retirement Trust created hereby without liability for interest thereon;
- (f) accept and retain for such time as they may deem advisable any securities or other property received or acquired by them as Trustees hereunder, whether or not such securities or other property would normally be purchased as investment hereunder;
- (g) cause any securities or other property held as part of the Trust Property to be registered in the name of the Retirement Trust or in the name of a nominee, and to hold any investments in bearer form, but the books and records of the Trustees shall at all times show that all such investments are a part of the Trust Property;
- (h) make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;
- (i) vote upon any stock, bonds, or other securities; give general or special proxies or powers of attorney with or without power of substitution; exercise any conversion privileges, subscription rights, or other options, and make any payments incidental thereto; oppose, or consent to, or otherwise participate in, corporate reorganizations or to other changes affecting corporate securities, and delegate discretionary powers and pay any assessments or charges in connection therewith; and generally exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held as part of the Trust Property;
- (j) enter into contracts or arrangements for goods or services required in connection with the operation of the Retirement Trust, including, but not limited to, contracts with custodians and contracts for the provision of administrative services;
- (k) borrow or raise money for the purposes of the Retirement Trust in such amounts, and upon such terms and conditions, as the Trustees shall deem advisable, provided that the aggregate amount of such borrowings shall not exceed 30% of the value of the Trust Property. No person lending money to the Trustees shall be bound to see the application of the money lent or to inquire into its validity, expediency or propriety or any such borrowing;
- (l) incur reasonable expenses as required for the operation of the Retirement Trust and deduct such expenses from of the Trust Property;
- (m) pay expenses properly allocable to the Trust Property incurred in connection with the Deferred Compensation Plans, Qualified Plans, or the Employer Trusts and deduct such expenses from that portion of the Trust Property to which such expenses are properly allocable;
- (n) pay out of the Trust Property all real and personal property taxes, income taxes and other taxes of any and all kinds which, in the opinion of the Trustees, are properly levied, or assessed under existing or future laws upon, or in respect of, the Trust Property and allocate any such taxes to the appropriate accounts;

amended January 1995

EXHIBIT 2E (continued)

- (o) adopt, amend and repeal the By-laws, provided that such By-laws are at all times consistent with the terms of this Declaration of Trust;
- (p) employ persons to make available interests in the Retirement Trust to employees eligible to maintain a Deferred Compensation Plan under Section 457 or a Qualified Plan under Section 401 of the Internal Revenue Code, as amended;
- (q) issue the Annual Report of the Retirement Trust, and the disclosure documents and other literature used by the Retirement Trust;
- (r) in addition to conducting the investment program authorized in Section 4.1(d), make loans, including the purchase of debt obligations, provided that all such loans shall bear interest at the current market rate;
- (s) contract for, and delegate any powers granted hereunder to, such officers, agents, employees, auditors and attorneys as the Trustees may select, provided that the Trustees may not delegate the powers set forth in paragraphs (b), (c) and (o) of this Section 4.1 and may not delegate any powers if such delegation would violate their fiduciary duties;
- (t) provide for the indemnification of the Officers and Trustees of the Retirement Trust and purchase fiduciary insurance;
- (u) maintain books and records, including separate accounts for each Public Employer, Public Employer Trustee or Employer Trust and such additional separate accounts as are required under, and consistent with, the Deferred Compensation or Qualified Plan of each Public Employer; and
- (v) do all such acts, take all such proceedings, and exercise all such rights and privileges, although not specifically mentioned herein, as the Trustees may deem necessary or appropriate to administer the Trust Property and to carry out the purposes of the Retirement Trust.

Section 4.2 Distribution of Trust Property: Distributions of the Trust Property shall be made to, or on behalf of, the Public Employer or Public Employer Trustee, in accordance with the terms of the Deferred Compensation Plans, Qualified Plans or Employer Trusts. The Trustees of the Retirement Trust shall be fully protected in making payments in accordance with the directions of the Public Employers, Public Employer Trustees or trustees or administrators of any Employer Trust without ascertaining whether such payments are in compliance with the provisions of the applicable Deferred Compensation or Qualified Plan or Employer Trust.

Section 4.3 Execution of Instruments: The Trustees may unanimously designate any one or more of the Trustees to execute any instrument or document on behalf of all, including but not limited to the signing or endorsement of any check and the signing of any applications, insurance and other contracts, and the action of such designated Trustee or Trustees shall have the same force and effect as if taken by all the Trustees.

ARTICLE V. DUTY OF CARE AND LIABILITY OF TRUSTEES

Section 5.1 Duty of Care: In exercising the powers hereinbefore granted to the Trustees, the Trustees shall perform all acts within their authority for the exclusive purpose of providing benefits for the Public Employers in connection with Deferred Compensation Plans and Public Employer Trusts pursuant to Qualified Plans, and shall perform such acts with the care, skill, prudence and diligence in the circumstances then prevailing that a prudent person acting in a

like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

Section 5.2 Liability: The Trustees shall not be liable for any mistake of judgment or other action taken in good faith, and for any action taken or omitted in reliance in good faith upon the books of account or other records of the Retirement Trust, upon the opinion of counsel, or upon reports made to the Retirement Trust by any of its officers, employees or agents or by the Investment Adviser or any sub-investment adviser, accountant, appraiser or other expert or consultant selected with reasonable care by the Trustees, officers or employees of the Retirement Trust. The Trustees shall also not be liable for any loss sustained by the Trust Property by reason of any investment made in good faith and in accordance with the standard of care set forth in Section 5.1.

Section 5.3 Bond: No Trustee shall be obligated to give any bond or other security for the performance of any of his or her duties hereunder.

ARTICLE VI. ANNUAL REPORT TO SHAREHOLDERS

The Trustees shall annually submit to the Public Employers and Public Employer Trustees a written report of the transactions of the Retirement Trust, including financial statements which shall be certified by independent public accountants chosen by the Trustees.

ARTICLE VII. DURATION OR AMENDMENT OF RETIREMENT TRUST

Section 7.1 Withdrawal: A Public Employer or Public Employer Trustee may, at any time, withdraw from this Retirement Trust by delivering to the Board of Trustees a written statement of withdrawal. In such statement, the Public Employer or Public Employer Trustee shall acknowledge that the Trust Property allocable to the Public Employer is derived from compensation deferred by employees of such Public Employer pursuant to its Deferred Compensation Plan or from contributions to the accounts of Employees pursuant to a Qualified Plan, and shall designate the financial institution to which such property shall be transferred by the Trustees of the Retirement Trust or by the trustee or administrator under an Employer Trust.

Section 7.2 Duration: The Retirement Trust shall continue until terminated by the vote of a majority of the Public Employers, each casting one vote. Upon termination, all of the Trust Property shall be paid out to the Public Employers, Public Employer Trustees or the trustees or administrators of the Employer Trusts, as appropriate.

Section 7.3 Amendment: The Retirement Trust may be amended by the vote of a majority of the Public Employers, each casting one vote.

Section 7.4 Procedure: A resolution to terminate or amend the Retirement Trust or to remove a Trustee shall be submitted to a vote of the Public Employers if: (i) a majority of the Trustees so direct, or; (ii) a petition requesting a vote signed by not less than 25 percent of the Public Employers, is submitted to the Trustees.

ARTICLE VIII. MISCELLANEOUS

Section 8.1 Governing Law: Except as otherwise required by state or local law, this Declaration of Trust and the Retirement Trust hereby created shall be construed and regulated by the laws of the District of Columbia.

Section 8.2 Counterparts: This Declaration may be executed by the Public Employers and Trustees in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

EXHIBIT 2F: 401 QUALIFIED PLAN EMPLOYER DATA FORM

**RC
PERFORMANCE
PLAN**

401 QUALIFIED PLAN EMPLOYER DATA FORM

* Instructions to Employer: Provide necessary information to establish your plan properly. Please contact Client Services at 1-800-326-7272, if you have any questions.



RC Use Only

1. Employer Number

**General
Plan
Information**

2. Employer's Full Name (City of, County of, etc.) _____
3. Employer's Mailing Address _____
4. City _____ 5. State _____ 6. Zip Code _____
7. Employer's Federal Tax Identification Number _____
8. Number of Employees _____
9. Number of Employees Eligible for Plan _____
10. Last Month of Plan Year (write in month 01-12) _____

**Contact
Information**

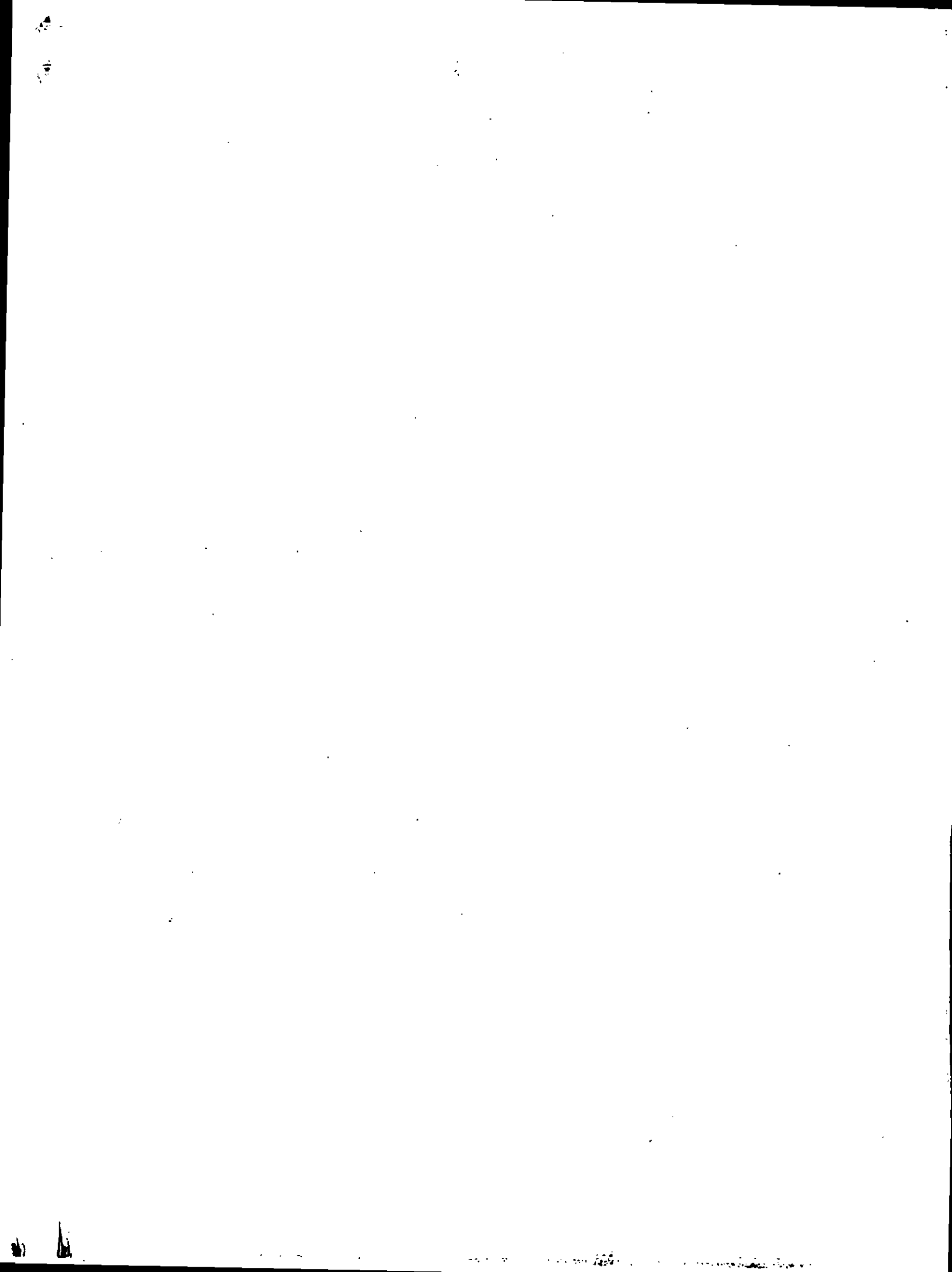
11. Title (not name) of Plan's Primary Contact Person _____
Primary Contact Person will automatically receive all RC correspondence, reports, and bulletins
 Telephone () _____
12. Title (not name) of Contact Person for Benefit Payments _____
 Telephone () _____
 Check here if Contact Person for Benefit Payments should receive RC correspondence, reports and bulletins
13. Title (not name) of Contact Person for Contributions _____
 Telephone () _____
 Check here if Contact Person for Contributions should receive RC correspondence, reports, and bulletins

Note: If neither of the boxes in 12 or 13 is checked, default correspondent will be Plan Coordinator named in the resolution.

**Implementation
of Plan**

14. Contribution Frequency (check one): (W) Weekly (M) Monthly Other (specify) _____
 (B) Biweekly (S) Semi-monthly
15. Contribution Data Format (check one): (T) Tape (QD) QUICK DISK (E) EDT
 (C) Contribution Statement (D) Diskette
16. First pay date following plan implementation _____
17. Are employees covered by the plan also covered by another qualified plan? Yes No

ICMA Retirement Corporation • P.O. Box 96220 • Washington, DC 20090-6220 • 1-800-326-7272



M. Closeout/Extension

When this Agreement is concluded or terminated, the Contractor and Prosecutor shall provide the FIA, within sixty (60) calendar days after conclusion or termination, with all financial, performance and other reports required as a condition of the Agreement, unless written extension is granted by the FIA for extenuating circumstances.

The FIA shall make payments to the Contractor for allowable reimbursable costs not covered by previous payments. The Contractor shall immediately refund to the FIA any payments or funds advanced to the Contractor in excess of allowable reimbursable expenditures.

N. Continuing Responsibilities

Termination, conclusion, or cancellation of this Agreement shall not be construed so as to terminate the ongoing responsibilities of the Contractor or Prosecutor or rights of the FIA contained in Section I, "Examination and Maintenance of Records" and Section I, "Closeout/Extensions" of this agreement.

O. Dispute Resolution

1. Local Resolution

All parties agree to make a good faith attempt to resolve disputes. Resolution of any dispute shall first be attempted at the local level by County Contractor, Prosecuting Attorney (PA), Friend of the Court and the FIA's Office of Child Support (OCS) District Managers, as appropriate.

2. Second Stage Resolution

If it appears a dispute cannot be resolved at the local level, the aggrieved party shall notify the other parties and the Director of the Office of Child Support, in writing, regarding the nature of the dispute and the efforts made toward resolution. Within sixty (60) calendar days of this notification, the parties and the OCS Director or designees shall meet to attempt resolution of the dispute.

3. Formal Notice of Intent

The Contractor and Prosecutor shall notify the FIA in writing of their intent to pursue a claim against the FIA for breach of any terms of this Agreement. No suit may be commenced by the Contractor or Prosecutor for breach of this Agreement prior to the expiration of ninety (90) calendar days from the date of such notification. Within this ninety (90) day period, the Contractor and Prosecutor, at the request of the FIA, must meet with the Director of the FIA or designee for the purpose of attempting resolution of the dispute. Formal Notice of Intent action shall not be commenced until resolution has been initiated as described in 1 and 2 above. However, these paragraphs do not restrict the right to invoke and cancel under Section I, "Cancellation of Agreement."

4. Continuation of Services and Payment

Prior to commencement and during the pendency of a dispute or a suit for breach of this Agreement, services shall continue to be provided by the Prosecutor as set forth in this Agreement and payment for such services by the FIA shall continue without interruption, except as provided in Section III, "Payment" of this Agreement.

P. Amendment

This Agreement may be amended, at the request of any party, only by the written consent of all the parties hereto, except as otherwise provided in this Agreement. If the Contractor or Prosecutor refuses to sign such amendment, the FIA may terminate this Agreement at the end of sixty (60) calendar days from the date of request to amend. The Contractor and Prosecutor shall suffer no liability to the FIA for refusing to agree to said amendment, and said refusal shall not constitute a breach of this Agreement.

Q. Termination - Unfair Labor Practice

The FIA may void this contract upon fifteen (15) days notice if the name of the Contractor or Prosecutor, or the name of a subcontractor, manufacturer, or supplier of the Contractor or Prosecutor, subsequently appears in the register compiled pursuant to Section 2 of Act 278, P.A. 1980. This Act prohibits the State from entering into contracts with certain employers who engage in unfair labor practices; to prohibit those employers from entering into certain contracts with others; to provide for the compilation and distribution of a register of those employers; and to provide for the voiding of certain contracts.

R. Audit Requirements

Contractors who receive a total of \$300,000 or more in federal funds from one or more funding sources in a fiscal year as subrecipients shall comply with the requirements of the Federal Office of Management and Budget (OMB) Circular A-133.

As defined in OMB Circular A-133, the contractor shall submit two copies of:

- Data Collection Forms
- Audit Report

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in this circular.

Contractors receiving less than \$300,000 in federal funds must submit a letter to the FIA advising that a circular audit was not required. The letter shall identify the year, the name of the FIA federal programs, and the CFDA grant number(s). This information and the audit reports shall be submitted to:

Attn.: Audit Liaison
Office of Internal Audit
Family Independence Agency
Grand Tower -- Suite 1112
235 South Grand Avenue
P.O. Box 30037
Lansing, Michigan 48909

This grant is funded in part through the federal program(s) listed below. The Catalog of Federal Domestic Assistance number (CFDA#) for each federal program as well as the percentage of Federal Financial Participation (FFP) is indicated also.

<u>CFDA#</u>	<u>PROGRAM TITLE</u>	<u>%FFP</u>
93.563	Child Support Enforcement	66%

The FIA imposes no other audit requirements on subrecipient contractors. The contractor shall not charge audit cost to FIA programs which are not in accordance with the aforementioned requirements.

All contractors are subject to federally required monitoring which may include limited scope reviews and other on-site monitoring. The cost of monitoring, both financial and program, will be paid by the FIA.

For Vendors

Contractors not identified as subrecipient will be considered vendors for audit reporting purposes. Vendors serving the following program areas are required to submit annual/audited financial statements: Adoption, Children's Foster Care.

There are no other audit requirements for vendors, however, the FIA reserves the right to request reports to conduct on-site audits for review at anytime.

S. Agreement Inclusiveness

This Agreement with the previously mutually approved Application incorporated by reference and made a part hereof, is intended by the parties as the complete and final expression of their agreement with respect to the terms included herein, and may not be contradicted by evidence of any prior contemporaneous agreement, oral or otherwise.

T. Reporting of Retiree Employment

ALL OTHER CONTRACT PROVISIONS NOTWITHSTANDING, the Contractor and Prosecutor shall provide written notification to the FIA of entering into a contractual relationship with any employee who retired from the State of Michigan using the early retirement program authorized by P.A. 487 of 1996. This notification shall be submitted to the Office of Contracts and Rate Setting (OCRS) within 15 days of signing this Agreement or of entering into a contractual relationship with any retiree under P.A. 487 of 1996. The Contractor and Prosecutor must report the retired employee's name, social security number and work site. For purposes of this Agreement, the Contractor and Prosecutor are limited to an aggregate of 500 hours of services provided by an early retiree under P.A. 487 of 1996. This provision only applies during a 24 month period after the date of retirement. Exclusion and disallowance of all payroll costs related to such employees shall occur under the following circumstances:

1. Failure of the Contractor or Prosecutor to notify OCRS within the allotted time period. Exclusion and disallowance of costs shall be for the period from beginning of services up to the time that proper notification is received by OCRS.
2. Failure of the Contractor or Prosecutor to enforce the 500 hour limitation of service provision by the early retiree.

II. CONTRACTOR AND PROSECUTOR DUTIES AND RESPONSIBILITIES

A. Services

As a subrecipient of Federal Financial Assistance, the Contractor through the Prosecuting Attorney shall:

1. Make IV-D services available to all eligible persons.
2. Make every effort to establish paternity and secure orders as needed for the purpose of child support on behalf of children born in or out of wedlock as provided by law.
3. Comply with the requirements of Title IV-D of the Social Security Act, implementing applicable federal regulations and requirements, in providing legal representation in child support cases.
4. Achieve compliance through this Agreement and the IV-D Program Prosecuting Attorney Handbook which is incorporated into this Agreement by reference.

B. Reports

The Contractor and Prosecutor shall prepare, complete and submit the following reports in the cycles indicated, to the units named:

1. **Form:** FIA-286 - Title IV-D Cooperative Reimbursement Expenditure Report, including appropriate time documentation.
Cycle: Due by the fifteenth (15) working day after month of service
To: District Contract Manager
Office of Child Support
Local County Family Independence Agency
2. **Form:** FIA-285 - Prosecuting Attorney's Quarterly Report
Cycle: Due by the tenth (10) working day after the end of the quarter
To: Family Independence Agency
Office of Child Support - Lansing
3. **Form:** FIA-1856 - Title IV-D Support Referral, also known as Court Action Referral
Cycle: Respond in writing when action on case completed; (dismissal or order)
To: Local Support Specialist

C. Client Grievance System

Each Prosecutor shall have a written office grievance system which provides the opportunity to seek relief for those who believe they have not received services required by the IV-D program, or believe the services they have received are not in accordance with IV-D regulations. Information about the grievance system shall be provided to clients or the FIA upon request.

D. Statewide Automated System

The Contractor and Prosecutor agree to cooperate and work towards meeting the federal requirement of a statewide automated system using the Child Support Enforcement System or an approved CSES linked system which processes intra- and inter- state data in accordance with IV-D regulations, statutes, policies and procedures for establishing case records, locating non-custodial parents, establishing support orders, establishing paternity, enforcing support orders and complies with all IV-D, CSES, OCS or FIA reporting requirements.

Additionally, counties proposing to use a CSES Linked System shall, within a reasonable time and when information becomes available, submit a system plan describing the design, development, and implementation milestones and completion dates for approval by FIA.

E. Applicable Costs

The Contractor and Prosecutor, as subrecipients of Federal Financial Assistance, agree to abide by applicable provisions of the Cost Principles for State and Local Governments issued by the Federal Office of Management and Budget Circular No. A-87. This circular provides cost principles to be used in determining the availability of Federal Financial Assistance for Child Support Enforcement activities under Title IV-D of the Social Security Act. If any staff funded in part or in whole by IV-D funds do not work full time on IV-D matters, detailed time-records for such employees are required to document the amount of time spent on reimbursable activities; or an alternative method for calculating eligible expenditures may be used so long as the method accounts for specific costs incurred on behalf of cases receiving services under the IV-D state plan and is approved by the FIA.

F. Billing Method

The Actual Cost Reimbursement Method shall be used to claim reimbursement under this Agreement. The Cooperative Reimbursement Budget is attached hereto and made a part of this Agreement. The Budget and Application detail the amount and object of expenditures for which the Contractor and Prosecutor shall use funds paid under this Agreement. The Contractor and Prosecutor shall follow and adhere to the Budget. Only actual costs may be billed. However, expenditures up to \$3,000 above

the direct cost line item budget categories are permissible provided the sum of all expenditures does not exceed the total amount of the Agreement.

The Contractor and Prosecutor must obtain written approval from the FIA to increase or decrease line items in the budget by more than \$3,000. The Contractor and Prosecutor's request for the FIA's approval must contain sufficient information to allow the FIA to identify which budget line items are to be increased, which line items are to be decreased, the reason for change, the programmatic impact of the budget changes and must stay within the originally approved budget total. The person authorized to approve budget revisions is the Director of the Office of Child Support.

Actual costs may include the cost of fringe benefits provided for the Contractor and Prosecutor's employees funded by this Agreement, in the same proportion as those employees are engaged in IV-D reimbursable activities. Further, those fringe benefits shall be no greater than fringe benefits provided to similar non-IV-D employees. Fringe benefits may include longevity, vacation, personal leave, holiday, sick leave, medical, dental, optical, life insurance, disability insurance, retirement, social security, workers compensation, and unemployment insurance.

G. Billing Procedure

The Contractor and Prosecutor shall submit a monthly "Title IV-D Cooperative Reimbursement Expenditure Report," (Form FIA-286) detailing program-related expenditures. The FIA-286 shall indicate actual costs by category of expense in the performance of this Agreement for the period being billed. The FIA-286 shall be submitted within fifteen (15) working days from the end of the monthly billing period to the District Contract Manager.

III. FIA DUTIES AND RESPONSIBILITIES

A. Program Administration

The FIA, as a recipient of Federal Financial Assistance, shall administer the Title IV-D program in Michigan, and shall maintain the approved Title IV-D State Plan consistent with federal requirements. The FIA shall distribute program regulations, forms and instructions to the Contractor and Prosecutor through the IV-D Program Prosecuting Attorney Handbook and Prosecuting Attorney Letter Series.

B. Payment

The FIA shall complete its processing of payments to the Contractor within thirty (30) calendar days after receipt of the Contractor's monthly FIA-286, "Title IV-D Cooperative Reimbursement Expenditure Report," detailing program related expenditures. Payments shall be made in accordance with the budget attached to and made part of this Agreement. For FIA-286's submitted after the due date the FIA reserves the right to delay processing and payment to the next available cycle.

The FIA reserves the right to defer or disallow payment of any claim submitted by the Contractor and Prosecutor for failure to document and provide records, statistics, and reports to the FIA as required by this Agreement or as are required by applicable state statutes and federal regulations. For FIA-286's submitted after the due date, the FIA reserves the right to delay processing and payment to the next available cycle.

C. Program Compliance Monitoring and Evaluation

The FIA shall monitor and evaluate Prosecutor performance for compliance with Federal Title IV-D Program regulations and the terms of this Agreement. Performance compliance shall be measured against the IV-D Program Prosecuting Attorney Handbook and federal program standards established to ensure that program services are administered effectively and efficiently. The FIA shall request corrective action when a program compliance evaluation indicates areas of substantial noncompliance.

D. Maximum Amount of Agreement

The maximum amount of this Agreement as appropriated by the Contractor is **ONE HUNDRED TWENTY THOUSAND NINE HUNDRED TWENTY-EIGHT AND 00/100 DOLLARS (\$120,928.00)**. The maximum amount of costs to be reimbursed by the FIA shall be the State share of actual expenditures during the life of this agreement up to the maximum of the Title IV-D program net budget, a copy of which is attached hereto and made a part hereof.

IN WITNESS WHEREOF, the FIA and Contractor have caused this Agreement to be executed by their respective officers duly authorized to do so.

Dated at Port Huron, Michigan

PROSECUTING ATTORNEY
(Prosecutor)

this 26 day of JAN, 19 99

By: Elwood L. Brown

Print Name: ELWOOD L. BROWN
Prosecuting Attorney

Witness: Celeste Stover

Dated at _____, Michigan

THE COUNTY OF SAINT CLAIR
(Contractor)

this _____ day of _____, 19 _____

By: _____

Print Name: _____
Chairperson County Board of Commissioners

Witness: _____

Dated at _____, Michigan

FAMILY INDEPENDENCE AGENCY

this _____ day of _____, 19 _____

By: _____

Print Name: _____
FIA Director or designee

Witness: _____

1999

Title IV-D Cooperative Reimbursement Budget

A. CONTRACT DESCRIPTION		CS/PA 99 74002	
COUNTY	<u>ST. CLAIR</u>		
PROVIDER	<u>PROSECUTING ATTORNEY</u>		
FUNDING YEAR	<u>1/1/1999 to 09/30/99</u>		
COLUMN I	COLUMN II	COLUMN III	
B. ALLOCATION FACTORS	PROPOSED IV-D BUDGET	TOTAL PROVIDER EXPENDITURES	
1. Total FTE Positions	2.74	27.00	
A. Enforcement (FOC & COMB)			
B. Visitation & Custody (FOC & COMB)			
2. % of Total FTE's	10.15%	100.00%	
A. Enforcement (FOC & COMB)			
B. Visitation & Custody (FOC & COMB)			
3. Caseload % (FOC & COMB)		100.00%	
C. BUDGET CATEGORIES	PROPOSED IV-D BUDGET	TOTAL PROVIDER EXPENDITURES	
1. Personnel	\$ 88,999	\$	1,219,380
2. Data Processing	\$ -	\$	-
3. Other Direct	\$ 13,967	\$	112,689
4. Central Services	\$ 16,462	\$	162,191
5. Paternity Testing (PA/COMB Only)	\$ 1,500	\$	1,500
6. Total Budget	\$ 120,928	\$	1,495,760
7. Service Fees (FOC & COMB only)	\$ -		
8. Mediation Fees (FOC & COMB only)	\$ -		
9. Other Income (Describe)	\$ -		
10. Net Budget	\$ 120,928	\$	1,495,760
11. County Share \$	\$ 27,241.00		
12. County Share %	22.53%		
13. State Share \$	\$ 93,687.00		
14. State Share %	77.48%		
15. County Share of #5 (PA & Comb. only)	\$ 338.00		
16. Total State Funding	\$ 94,025.00		

1.0 PROJECT DESCRIPTION

Statement of Water Quality Concerns/Issues

St. Clair County and its local communities have realized their responsibility for protecting the water quality of the St. Clair River, Lake Huron, and Lake St. Clair. The County is preparing a Storm Water General Permit Application and County officials have participated in producing the St. Clair River Watershed, Black River Resource Plan (Natural Resources Conservation Service, 1997) and the St. Clair River Binational Public Advisory Council (BPAC). While much progress has been made, a coordinated watershed management plan is lacking. Also needing development is a public involvement and education program that addresses water quality issues. Initiation of such a program is a key component of this proposal. Other important issue to be addressed are: ensure that all stakeholders have an opportunity to provide input on water quality issues; document ongoing activities; identify gaps in water quality management efforts; and gain consensus on a watershed management plan.

The St. Clair River watershed itself, made up of the Black, Belle, and Pine River watersheds, consists of 1,220 square miles of agricultural, industrial, urban, and suburban land, primarily in St. Clair, Sanilac, Lapeer, and Macomb Counties. Approximately 90% of St. Clair County lies within the St. Clair River watershed. The river was designated as an Area of Concern (AOC) by the Great Lakes Water Quality Agreement in 1985. According to the St. Clair River AOC Stage 2 Remedial Action Plan (1995), water quality problems in the St. Clair River, Lake Huron, and Lake St. Clair include sediment accumulation, toxic, bioaccumulative chemicals of concern (BCCs), and elevated nutrient levels. Potential sources for these contaminants are industrial discharges, urban and agricultural storm water runoff, and atmospheric deposition.

The beneficial use impairments affecting the St. Clair River Watershed were defined in the 1995 St. Clair River Stage 2 Remedial Action Plan, published jointly by the Ontario Ministry of Environment and Energy and the Michigan Department of Environmental Quality (MDEQ) Surface Water Quality Division (SWQD). These beneficial use impairments are:

- ▶ Restrictions on fish and wildlife consumption
- ▶ Bird or animal deformities or reproductive problems
- ▶ Degradation of benthos
- ▶ Restrictions on dredging activities
- ▶ Problems with drinking water taste and odor
- ▶ Beach closings due to fecal bacterial contamination
- ▶ Degradation of aesthetics
- ▶ Added costs to agriculture or industry
- ▶ Loss of fish and wildlife habitat

The most significant causes of the use impairments are placed into categories of point source discharges (e.g., industrial facilities, municipal waste treatment plants, spills), and nonpoint sources (e.g., urban storm water, rural runoff, and waste disposal sites).

The needs to be addressed with the requested grant funds include development of a Watershed Plan that will build upon the work already completed and summarized in the RAP, with an emphasis on issues arising from conditions in the St. Clair County portions of the watershed. These issues are failing septic systems, illicit connections to storm drains, agricultural runoff, and the conditions of beaches and surrounding areas. A critical component for the completion of the Watershed Plan will be initiation of a watershed-wide public information and education campaign.

Project Goals and Objectives

The primary goal of the proposed project is to develop a Watershed Plan. This will be a comprehensive evaluation of water quality in the St. Clair County portions of the St. Clair River Watershed that will include the following components:

- ▶ A detailed description of the beneficial use impairments in the watershed
- ▶ A description of the pollutants, and their sources, that lead to the beneficial use impairments
- ▶ A discussion of the critical areas for focusing implementation efforts
- ▶ Descriptions of how watershed protection efforts will be institutionalized
- ▶ An evaluation of Best Management Practices
- ▶ A Public Involvement and Education Plan
- ▶ Suggested revisions to ordinances and land use planning practices to capture current scientific knowledge
- ▶ A timetable for implementing the watershed plan, specifying the roles of agencies involved

In addition, the St. Clair County Metropolitan Planning Commission is developing a geographic information system (GIS) that will allow more effective management of the various sources of data required to make watershed management decisions. The efforts to be funded by the 319 grant are for incorporating water quality information into the developing St. Clair County GIS. It is recognized that full implementation will require funding from alternative sources but since collecting the data will be necessary, digital data in a consistent format will aid the future efforts.

To accomplish these goals we will build on the information presented in the St. Clair River Remedial Action Plan and the data collected by St. Clair County agencies and others.

The completion of the watershed plan will be supported by the public involvement and education efforts of the St. Clair River Binational Public Advisory Council, the Natural Resources Conservation Service, Michigan State University Extension, and the Friends of the St. Clair River. The result of this collaborative effort will be described in the Public Involvement and Education Plan included in the Watershed Plan. The program will be designed to demonstrate to residents, the education community (including students), industry associations, and business owners the impact of their actions on water quality, and to show them how to reduce or eliminate negative impacts.

These activities will help implement recommendations of the St. Clair River Watershed RAP, such as:

- ▶ Preparation of watershed management plans
- ▶ Initiating spill control and pollution prevention programs
- ▶ Identify and correct failing septic systems
- ▶ Address urban and agricultural storm water runoff
- ▶ Educate the general public as well as developers and industry, on water quality issues
- ▶ Identify and evaluate contaminated sites, especially waste disposal sites, potentially impacting water quality
- ▶ Identify and protect functional undisturbed wetlands that are integral to the watershed

Organization Information

Recently the St. Clair County Board of Commissioners approved the formation of the Blue Water Task Force on Water Quality. The members of the Task Force include key St. Clair County officials such as the Drain Commissioner, the Planning Commission Director, and the Environmental Health Director, as well as representatives of the County Commissioners, Township Supervisors, County Prosecutor, County Road Commission, the St. Clair Conservation District, and citizen advocate groups.

Partners

- St. Clair County Drain Commissioner
- St. Clair County Health Department
- St. Clair County Metropolitan Planning Commission
- St. Clair River RAP Team/BPAC
- St. Clair County Road Commission
- Macomb Co. Water Quality Board
- SEMCOG
- Natural Resources Conservation Service
- Local Communities

The Task Force will form a Technical Advisory Committee to coordinate and review the activities and progress of this project.

Other sources of funding

- ▶ St. Clair County intends to pursue Clean Michigan Initiative funding for abandoned dump inventory, prioritization, and possible remediation.
- ▶ The Task Force is planning to pursue funding from the Great Lakes Aquatic Habitat Protection Fund
- ▶ St. Clair County is partnering with SEMCOG on a Coastal Zone Management Grant

Project Sustainability

With the formation of the Blue Water Task Force on Water Quality, the St. Clair County Board of Commissioners has demonstrated its recognition of the importance of water quality issues. This project will institutionalize this change by formulating a comprehensive summary of water quality problems and by devising a concise plan (including funding recommendations) to address these problems. Furthermore, the public involvement and education component of the project will foster a change in the way residents and business owners in the watershed view the importance of their own actions in influencing water quality.

Evaluation

The Watershed Plan produced through this proposed effort can be evaluated by the team partners on its own merits and with regard to how well it builds upon and extends the foregoing work. The Watershed Plan and the Public Involvement Plan will be submitted for MDEQ review. Ultimately the measure of success will be the commitment of resources by the various stakeholders to fulfill the requirements identified in the plan. The Task Force recognizes the importance of the public evaluation of the watershed plan and will also evaluate the effectiveness of the Watershed Plan in terms of the level of support generated in local units of government throughout the county. The evaluation will emphasize funds committed for implementation of the plan, level of voluntarism, enhancement of business involvement, and changes in school curriculum.

Standard quality assurance/quality control (QA/QC) procedures will be implemented to ensure production of accurate, high-quality documents.

2.0 WORK PLAN, TIMETABLE, AND BUDGET

TASK 1 - DATA COLLECTION / REVIEW

Information pertinent to the project will be collected and reviewed. Emphasis will be placed on known problems in the watershed, such as bacterial contamination due to failing septic systems, illicit connections and agricultural runoff. Data collected will include:

- ▶ Storm sewer utility maps
- ▶ Storm sewer maintenance schedules
- ▶ Aerial photos (SEMCOG)
- ▶ Ordinances, regulations, and design standards;
- ▶ Information regarding abandoned waste disposal sites in the watershed
- ▶ Relevant GIS coverages
- ▶ Land use/zoning maps
- ▶ County drain maps
- ▶ Flow and water quality data
- ▶ Interviews with stakeholders, government officials, and watershed observers

This information will contribute to the sections of the Watershed Plan describing the current or threatened water quality impairments in the watershed, including the pollutants and their sources.

Existing ordinances, regulations, policies, and design standards that are affecting the watershed will be summarized. Of particular interest will be the Environmental Health Code of St. Clair County, which includes sewage disposal regulations and water supply wells. These ordinances, regulations, policies, and design standards will be compared with model ordinances and policies of other communities.

This task (8% of total) will be performed jointly by St. Clair County staff (13%) and a county contractor (87%).

- Deliverables for Task 1:** Part 1 of the Watershed Plan, consisting of:
- Impairments and threatened impairments of water quality
 - Pollutants, sources, and prioritized focal points

TASK 2 -- WATER QUALITY MODELING

We propose a modeling effort that will provide a strong technical basis for watershed-wide water quality decisions. This will entail the development and application of an annual load model based on pollutant loading by land use. Since the land use in the Michigan portion of the St. Clair River watershed is largely agricultural we will employ an agricultural runoff loading model developed by the Michigan Departments of Agriculture and Natural Resources. A water quality parameter of interest in the Watershed will be selected for model development. A load model for this parameter will also be developed using the Watershed Management Model (WMM) developed by the Rouge River National Wet Weather Demonstration Project. The WMM is more appropriate for the urbanized portion of the watershed. Using the two models will allow a comparison of agricultural loadings and urban loadings.

This effort (8% of the total) will be performed by contractors to St. Clair County.

- Deliverables for Task 2:** Summary Water Quality Modeling report.

TASK 3 -- EVALUATE SOLUTIONS

A. Review of BMPs

Best Management Practices (BMPs) that have been attempted and applied in other watershed projects will be reviewed. A literature search will be conducted. For each BMP, the following information will be compiled:

- ▶ design criteria;
- ▶ land requirements;
- ▶ costs (initial and O&M);
- ▶ effectiveness in removing pollutants;
- ▶ maintenance requirements;
- ▶ public acceptability;
- ▶ recreational impact, potential for improvements;
- ▶ effectiveness for flood control;
- ▶ effectiveness in increasing low flows; and
- ▶ applicability to sites and land use categories.

BMPs will be structural, non-structural, or will be management practices that residents or businesses can implement to reduce pollutant load at the source. Examples of BMPs are listed in Table 2.

Table 2. Examples of BMPs

<p>Structural BMPs</p>	<p>Detention ponds and pond outlet modifications Sediment basins Failing septic system corrections including sanitary sewer extensions Illicit connection removals Channel widening/lining Sand filters Catch basin/storm drainage filters</p>
<p>Non-Structural BMPs</p>	<p>Wetlands creation/restoration Detention pond plantings Swales/infiltration basins Vegetation mattresses for stream bank erosion control</p>
<p>Management Practices (Source Controls)</p>	<p>Public education Fertilizer management programs (residential and golf course) Street sweeping Storm sewer maintenance Ordinance, regulation, policy, and design standard changes</p>

B. Evaluate BMPs

The BMPs will be evaluated for applicability to sites and land use categories in the St. Clair River watershed. It is expected that there will be a limited number of sites that are applicable for any specific structural and non-structural BMPs. Likewise, some management activities are applicable to only certain land use categories.

A list of BMPs and applicable sites and land uses (with corresponding percentage of the watershed) will be prepared for further consideration in formulating watershed plan alternatives. Criteria will be developed and proposed for evaluating the BMPs. A meeting chaired by the Blue Water Task Force will include a presentation of the BMPs, a review of the evaluation criteria, and a discussion of the scoring of the BMPs against the criteria.

This task (9% of the total) will be performed by a county contractor with significant county oversight (12%)

- Deliverables for Task 3:*
- List of applicable BMPs, sites and land use categories
 - Proposed Evaluation Criteria and BMP Evaluation Report
 - Implementation Timetable

TASK 4 – GEOGRAPHIC INFORMATION SYSTEM DEVELOPMENT

Geographic Information Systems (GIS) have become a valuable tool for managing information on a watershed-wide basis. Natural resources and infrastructure inventories, monitoring data, land use information, discharge permits, and a variety of other environmental data can be included in a watershed GIS. As data is collected for inclusion in the Watershed Plan, the information will include a digitally recognized location for inclusion in the GIS efforts current underway in the County.

The county is currently contracting with a firm for GIS development; funding is requested to extend this work to include water quality and watershed management information. County staff will have significant involvement (40%) as watershed information is included. (Task is 11% of the total).

- Deliverables for Task 4:*
- All available GIS coverages

TASK 5 – PUBLIC INVOLVEMENT

Public involvement is a critical factor in gaining a public acceptance of the watershed plan. This task requires

careful planning and execution since there are many stakeholders in the watershed whose perspective must be included in order to ensure the desired level of public acceptance. Inviting the public to participate implies capability to handle active two-way dialogue, soliciting input that is incorporated into the planning process.

A. Identify Stakeholders

Stakeholders for the project will be identified and contacted regarding their interest in the project. The following stakeholders have already been identified and contacted. Letters of support are not included, in accordance with the RFP instructions, but the following organizations have committed their support:

- ▶ St. Clair County Drain Commissioner (SCDC)
- ▶ St. Clair County Road Commission
- ▶ St. Clair County Health Department
- ▶ St. Clair County Metropolitan Planning Commission
- ▶ St. Clair County Prosecutor's Office
- ▶ St. Clair River BPAC
- ▶ MDEQ/MDNR

These stakeholders, many of whom are represented on the Blue Water Task Force, will be invited to continue their participation and will be kept informed through contact by telephone, through the mail, and over the Internet. Press releases on the project will be prepared soliciting interest from other stakeholders.

B. Watershed-Wide Meetings

Meetings will be held to allow exchange of information within and between stakeholder groups. The SCDC will work with its partners to design the meetings, provide background information and updates as work progresses, assist with meeting facilitation, and summarize the findings and incorporate them into the planning process. The following are possible topics for discussion in the Watershed-Wide Meetings:

- ▶ Introduction to the watersheds in St. Clair County and their impact on water quality in the St. Clair River; overview of the project; feedback from the community; solicit involvement of stakeholders.
- ▶ Overview of existing and future conditions and areas of concern; group exercises to provide input on problem areas; prioritization of problems; evaluation of BMPs; development of alternatives.
- ▶ Presentation of the draft Watershed Plan components, goals and objectives; group exercises to provide input on priorities; discussion of the overall timeline and cost constraints.
- ▶ Presentation of the preliminary Watershed Plan; discussion of the proposed timeline and budget; discussion of policy issues; action items to encourage public involvement in implementation.

C. Meetings with Local Officials

The SCDC will work with its partners in facilitating two meetings for local elected officials. A meeting to brief officials could be held prior to the first Community-wide meeting to promote the effort and to facilitate their involvement and communication with the public and the Technical Advisory Committee. The second meeting will be used to brief officials on the draft Watershed Plan.

D. Meetings with Task Groups

Task Groups may be formed by the Blue Water Task Force early in the planning process to provide a sustained effort in resolving issues. Task groups will consist of a subset of stakeholders that will meet to study an issue and assist in developing alternatives for the watershed plan. The task groups will incorporate the knowledge and expertise that already exists within the watershed.

E. Meetings with Focus Groups

Additionally, targeted Focus Groups will be convened as necessary to provide specific information and feedback on an issue. Focus groups will consist of a sub-set of stakeholders, and will provide input on an issue. Focus groups will include stakeholders that typically are under-represented in a public participation process, such as

representatives from industry, NPDES permit holders, office/commercial/retail building managers, multiple family housing managers, schools, neighborhood associations, and golf course managers.

This task (52% of the total) will be performed primarily by county contractors (86%) with county oversight (14%).

Deliverables for Task 5: List of Stakeholders
Public Involvement and Education Plan
Summary results of all meetings provided in monthly reports.

TASK 6 – PREPARATION OF THE WATERSHED MANAGEMENT PLAN

As noted above, each component of this project will be directed toward the production of a Watershed Management Plan. The Plan will include all of the necessary elements, and will be submitted to MDEQ-SWQD for approval.

This task (13% of the total) will be performed jointly by contractors (74%) and county staff (26%).

Deliverables for Task 6: Watershed Management Plan

St. Clair County Drain Commissioner
Surface Water Quality Grant Application

County Staff Labor Cost Summary

LABOR CATEGORY	Rate (\$/Hour)	Data Review	Modeling	BMP Evaluation	GIS Management	Public Involvement	Waterbed Plan	TOTAL HOURS	Fringe Benefits	TOTAL COSTS
Senior Engineer/Scientist	\$25.00	0	0	12	20	60	30	122	35%	4,117.50
Associate Engineer/Scientist	\$18.00	0	0	24	40	120	60	244		5,979.20
Senior Technician	\$15.00	24	0	0	40	0	0	64		1,296.00
GIS Staff	\$18.00	24	0	0	60	0	12	96		2,332.80
Administrative Staff	\$12.00	0	0	0	20	120	30	170		2,754.00
Labor Task Subtotals (Hours)		48	0	36	180	300	132	696		
Labor Task Subtotals (Dollars)		1,069	0	988	4,239	6,885	3,248	\$16,429.50		16,429.50

St. Clair County Drain Commissioner
Surface Water Quality Grant Application

Contractual Staff Labor Cost Summary

LABOR CATEGORY	Rate (\$/Hour)	Data Review	Modeling	BMP Evaluation	GIS Management	Public Involvement	Watershed Plan	TOTAL HOURS	TOTAL COSTS
Principal Engineer	\$119.00	0	10	0	0	72	10	92	\$10,948.00
Senior Engineer/Scientist	\$103.00	10	10	20	0	96	20	156	\$16,068.00
Staff Engineer/Scientist	\$89.00	20	20	20	0	168	20	248	\$22,072.00
Associate Engineer/Scientist	\$69.00	40	40	24	0	48	40	192	\$13,248.00
GIS Staff	\$50.00	20	20	0	80	0	0	120	\$6,000.00
Administrative Staff	\$41.00	10	10	20	0	168	40	248	\$10,168.00
Labor Task Subtotals (Hours)		100	110	84	80	552	130	1056.00	
Labor Task Subtotals (Dollars)		6,980	8,170	7,420	6,760	43,056	9,430	\$78,504.00	

TOTAL: \$78,504.00

RESOLUTION 99-03

CREATION OF THE BLUE WATER TASK FORCE ON WATER QUALITY

WHEREAS, the waters of St. Clair County are a vital component in both the economic and human health of the region; and

WHEREAS, the protection of our waters has been identified by concerned citizens of St. Clair County as a major issue; and

WHEREAS, the problems and solutions for clean and safe waters are complex but manageable; and

WHEREAS, after several meetings those interested parties have determined that there is a need to create a task force which will be an advocate for the waters of St. Clair County; and

WHEREAS, this task force will perform the specific task of advocating for our waters and serving as a catalyst for cooperative action using the key elements of monitoring, education, voluntary efforts and the promotion of appropriate regulation.

NOW, THEREFORE, BE IT RESOLVED that the St. Clair County Board of Commissioners creates the Blue Water Task Force on Water Quality consisting of the following membership:

John Jones, Ira Township Supervisor
Fred Fuller, St. Clair County Drain Commissioner
Ron Miller, St. Clair County Health Department
Gordon Ruttan, St. Clair Co Metropolitan Planning Commission
Lee Masters, St. Clair Co Board of Commissioners
Don Maronde, St. Clair County Road Commission
Elwood Brown, St. Clair County Prosecutor
Tim Lozen, Environmental Attorney
Al Lewandowski, Science Teacher
Jim Hayes, Soil and Water Conservation District
Roseanne Oliver, Industrial Development Corporation
Deborah Hayes, Michigan United Conservation Clubs
Gerald Ackerman, City of Port Huron



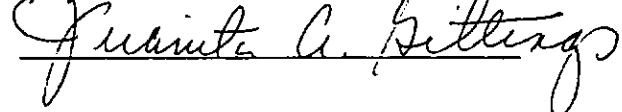
BE IT FURTHER RESOLVED, that the appointments to the Blue Water Task Force on Water Quality are for an eighteen (18) month term and that this task force shall operate pursuant to bylaws which will be established and report periodically to the St. Clair County Board of Commissioners.

DATED: January 20, 1999

Reviewed and Approved as to Form:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

RESOLUTION 99-02

SUPPORT FOR NONMOTORIZED ACCESS ACROSS THE ALLEN ROAD/INTERSTATE 69
OVERPASS AND TO HIGHLIGHT THE NEED FOR EARLY NOTIFICATION FROM MDOT
CONCERNING PROPOSED PROJECTS IN ST. CLAIR COUNTY

WHEREAS, the Michigan Department of Transportation has rejected local requests for the inclusion of nonmotorized access across the Allen Road/Interstate 69 Overpass as part of their deck replacement project; and

WHEREAS, local governments, including the St. Clair County Transportation Study, the federally mandated 3C Agency covering St. Clair County, were only notified about the project just prior to the Grade Inspection (GI) meeting, towards the end of the process; and

WHEREAS, local governments, including the St. Clair County Transportation Study, the federally mandated 3C Agency covering St. Clair County, were given very little time in which to make an adequate case illustrating the need for a nonmotorized linkage across the Allen Road/Interstate 60 Overpass; and

WHEREAS, compliance with Federal Highway Administration regulations may already delay the project; and

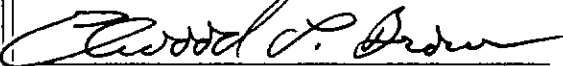
WHEREAS, the failure of the Michigan Department of Transportation to adequately inform local governments, including the St. Clair County Transportation Study, the federally mandated 3C Agency covering St. Clair County, about projects it is planning for projects located in local communities during the early stages of the project when local concerns could be more easily addressed.

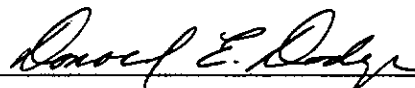
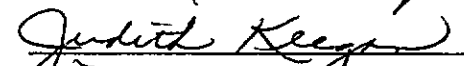
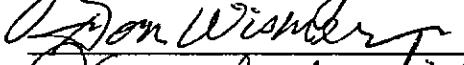
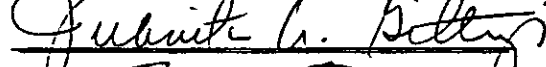
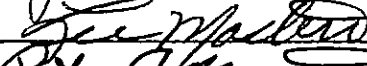
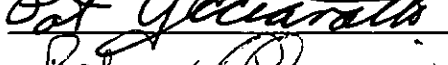

NOW, THEREFORE, BE IT RESOLVED that the St. Clair County Board of Commissioners requests that the Michigan Department of Transportation include nonmotorized access across the Allen Road/Interstate 69 Overpass as part of their deck replacement project.

BE IT FURTHER RESOLVED that the St. Clair County Board of Commissioners requests that the Michigan Department of Transportation institute a process to inform local governments, including the St. Clair County Transportation Study, the federally mandated 3C Agency covering St. Clair County, about projects it is planning in local communities during the early stages of the project when local concerns can be more easily addressed.

DATED: January 20, 1999

Reviewed and Approved as to Form:


ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060






 CHAIR


RESOLUTION 99-01

AMENDING FEE PROVISION OF ACT 347 OF 1972
(SOIL EROSION AND SEDIMENTATION CONTROL ACT)

WHEREAS, in accordance with Act 347 of 1972; the St. Clair County Board of Commissioners designated the Department of Public Works as the enforcing agency for the Soil Erosion and Sedimentation Control Act (SESCA), and;

WHEREAS, Administrative Procedures were developed and approved by the County Board, effective February 15, 1975. According to M.C.L. 324.9105 Section (2) the Board of Commissioners shall set forth a schedule of fees, and;

WHEREAS, the intention of the Department of Public Works, as outlined in the Administrative Procedures for enforcing the SESCO Act, is that the cost of administering this program will be entirely supported by the inspection and administration fee structure. On December 15, 1998, the Board of Public Works approved amending the attached Section XIII of the Administrative Procedures (Fee Schedule), and;

WHEREAS, the County Board wishes to add the ability to use a Title Company letter of credit as a performance bond.

NOW THEREFORE, BE IT RESOLVED, that pursuant to the provision of M.C.L. 324.9105 the St Clair County Board of Commissioners reaffirms that the St. Clair County Department of Public Works is and continues to act on behalf of the County as the enforcing agency responsible for administration and enforcement of rules promulgated pursuant to the provisions Part 91 of the Natural Resources and Environmental Protection Act, and;

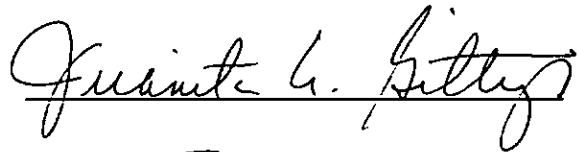

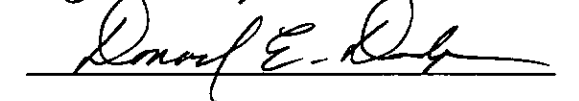
BE IT FURTHER RESOLVED, that the St. Clair County Board of Commissioners hereby concurs with the recommendation of the Board of Public Works, and authorizes the amending of Section XIII of the Administrative Procedures (regarding fees); and adds to subsection B of Section XIII the words "Title Company Letter of Credit" as acceptable performance bond, and;

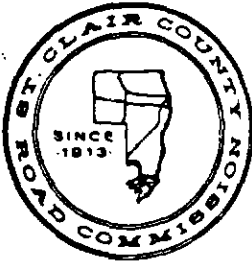
BE IT FURTHER RESOLVED, that all resolutions and parts of resolutions in conflict with this resolution, are to the extent of the conflict, hereby rescinded.

Dated: January 20, 1999

Reviewed and Approved as to form:


ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060



COUNTY OF ST. CLAIR

ROAD COMMISSION • PUBLIC WORKS

21 Airport Drive • St. Clair, Michigan 48079-1404

Phone: (810) 364-5720

Fax: (810) 364-9050

MEMORANDUM

TO: Don Dodge, County Administrator

FROM: Janet C. Kitamura, Deputy Secretary of the Board *JK*

DATE: December 21, 1998

SUBJECT: Soil Erosion and Sedimentation Control Fees

Enclosed is a set of proposed revised "Financial Requirements and Responsibilities" for the St. Clair County Soil Erosion and Sedimentation Control Program approved for recommendation to the County Board of Commissioners by the Board of Public Works at their rescheduled meeting on December 15, 1998. These increases and changes are necessary due to rising costs and increased enforcement required by the Michigan Department of Environmental Quality (DEQ).

The existing "Financial Requirements and Responsibilities" were adopted by the Board of Commissioners on November 28, 1990 as Resolution 90-62. Please submit these revisions to the Board of Commissioners for their consideration.

Also enclosed is copy of a memo from me to the Board of Public Works explaining the development of these recommended "Financial Requirements and Responsibilities".

If we are made aware of when the Commissioners will consider this matter, we will have members of our staff in attendance to answer any questions they may have.

If you have any questions at this time, please contact me.

SECTION XIII - Financial Requirements and Responsibilities

These fees will increase each year on January 1 in accordance with the increase in the Consumer Price Index for all Urban Consumers for the previous 12 months between October 1 and September 30.

(All checks shall be made payable to the Department of Public Works of the County of St. Clair.)

	<u>Residential</u>	<u>Commercial</u>
(A) Inspection and Administrative Fees		
(1) Plan Review Fee (Per application or revision submitted)	\$ 38.00	\$ 152.00/first day \$ 38.00/hour thereafter
(2) Permit Fee Per acre covered by plan	\$ 8.00/acre	\$ 38.00/first acre \$ 8.00/acre thereafter \$1,000.00 maximum
Per 1,000 lineal feet for strip work	\$ 8.00/1,000'	\$ 38.00/first 1,000 l.f. \$ 8.00/1,000 l.f. thereafter \$1,000.00 maximum
Where earth disruption is within 500 feet of surface waters	\$ 8.00	\$ 38.00
Renewal after 12 months	\$ 8.00	\$ 38.00
(3) Inspection fee (Minimum of three required) (Additional inspections at \$38.00/hour)	\$114.00	\$ 114.00

(B) Performance Bond

(1) Prior to issuing a permit, a deposit of cash, certified check, irrevocable bank letter of credit or surety bond in the amount of one hundred percent (100%) of the approved land owner's authorized agent's estimate of the total cost to construct the soil erosion and sedimentation control protective or corrective measures agreed to in the permit requirements.

(2) Release of this deposit will be made upon completion and approval of all work performed relative to the permit.

(3) The Department of Public Works shall release to the owner, as the work progresses, amounts of the deposit equal to the ratio of the work completed to the entire work required by the permit. But in no case shall the deposit retained be less than the amount necessary to complete the requirements of Soil Erosion and Sedimentation Control Plan.

I. Property Title

Title to all Non-Child Support Enforcement System (CSES) property, real or personal, furnished by the FIA for use by the Contractor and Prosecutor in the performance of this Agreement shall remain in the FIA. Upon expiration of this Agreement or any extension thereof, the Contractor and Prosecutor agree to return said property to the FIA or pay the then current fair market value thereof to the FIA. However, in the event that any such property is only partially funded by the FIA, the Contractor or Prosecutor shall return said property to the FIA or pay the FIA that portion of the current fair market value of such item which is in the same percentage as the FIA's contribution to the original purchase price. Where property in which the FIA has an interest is traded for other property, the Contractor and Prosecutor shall maintain continuing records to account for the FIA's financial interest in such subsequent acquisitions.

J. Subcontracts

The Contractor or Prosecutor shall not assign this Agreement or enter into subcontracts which will be paid in whole or part using money received through this Agreement without obtaining prior written approval of the FIA. The FIA, as a condition of granting such approval, shall require that such assignees or subcontractors shall be subject to all conditions and provisions of this Agreement. The Contractor and Prosecutor shall be responsible for the performance of all assignees or subcontractors, and shall insure the subcontracted agents comply with all provisions of this Agreement.

K. Continuation

In the event that the Contractor and Prosecutor have submitted to the FIA an application for a Cooperative Reimbursement Agreement and, because of circumstances beyond the control of either the Contractor, Prosecutor, or the FIA, the Agreement cannot be concluded to take effect at the start of the new Agreement period, the delaying party shall immediately confirm in writing said circumstances and the anticipated date that the Agreement can be concluded. The Agreement in existence shall, with the approval of all parties, be extended for a period not to exceed sixty (60) calendar days from the original concluding date of the existent Agreement. Should any party not choose to extend the existent Agreement, that party shall immediately notify the others in writing.

L. Cancellation of Agreement

The FIA reserves the right to cancel this Agreement by giving thirty (30) calendar days written notice to the Contractor and Prosecutor. The Contractor or Prosecutor may terminate this Agreement upon thirty (30) calendar days written notice to the FIA at any time prior to the completion of the Agreement period.

E. Insurance Coverages

The Contractor and Prosecutor shall provide and maintain public liability insurance in such amounts as necessary to cover all claims which may arise out of the Contractor or Prosecutor's operations under the terms of the Agreement. Unemployment compensation coverage, and worker's compensation insurance shall be maintained in accordance with applicable federal and state law and regulations.

F. Compliance with Civil Rights, Other Laws

The Contractor and Prosecutor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status pursuant to 1976 P.A. 453, Section 209. The Contractor and Prosecutor shall also comply with the provisions of the Michigan Handicappers Civil Rights Act, 1976, P.A., 220 and Section 504 of the Federal Rehabilitation Act of 1973, P.L. 93-112, 87 Stat. 394, which states that no employees or client or otherwise qualified handicapped individual shall, solely by reason of handicap, be excluded from participation, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. The Contractor and Prosecutor shall comply with the Americans with Disabilities Act of 1990 (ADA), P.L. 101-336, 104 Stat. 328, which prohibits discrimination against individuals with disabilities and provides enforcement standards. Further, the Contractor and Prosecutor shall comply with all other federal, state or local laws, regulations and standards, and any amendments thereto, as they may apply to the performance of this Agreement.

G. Royalties and Copyright

The FIA reserves a royalty-free nonexclusive license to use and authorize others to use all written or visual material or other work products developed in connection with this Agreement, including all copyrightable or copyrighted materials.

H. Confidentiality

The use or disclosure of information concerning clients obtained in connection with the performance of this Agreement shall be restricted to purposes directly connected with the administration of the programs implemented by this Agreement and as required by federal regulations and state statute.

I. GENERAL PROVISIONS

A. FIA's Source of Funds-Termination

The FIA's payment of funds for purposes of this Agreement is subject to and conditional upon the availability of funds for such purposes, being Federal and/or State funds. No commitment is made by the FIA to continue or expand such activities. The FIA may terminate this Agreement immediately upon written notice to the Contractor and Prosecutor at any time prior to the completion of this Agreement if, in the opinion of the FIA, funding becomes unavailable for this service or such funds are restricted.

B. Fees and Other Sources of Funding

The Contractor and Prosecutor guarantee that any claims made to the FIA under this Agreement shall not be financed by any source, including client fees, other than the FIA under the terms of this Agreement. If funding is received through any other source, the Contractor and Prosecutor agree to delete from Contractor and Prosecutor billings, or to immediately refund to the FIA, the total amount representing such duplication of funding.

C. Review and Monitoring Reports

The Contractor and Prosecutor shall comply with all program and fiscal review reporting procedures at time intervals and on specified forms as established by the FIA on the beginning date of this Agreement. Any additional reports which the FIA proposes to be completed by the Contractor or Prosecutor shall be completed pursuant to agreement by the parties to this Agreement.

D. Examination and Maintenance of Records

The Contractor and Prosecutor shall permit the FIA or any of its identified agents access to the facilities being utilized at any reasonable time to observe the operation of the program. Further, the Contractor and Prosecutor shall retain all books, records or other documents relevant to this Agreement for five (5) years after final payment, at their cost, and Federal auditors and any persons duly authorized by the FIA shall have full access to and the right to examine and audit any of said material during said period. If an audit is initiated prior to the expiration of the five-year period, and extends past that period, all documents shall be maintained until the audit is completed. The FIA shall provide findings and recommendations of audits to the Contractor and Prosecutor. The FIA shall adjust future payments or final payment if the findings of an audit indicate over or under payment to the Contractor and Prosecutor in the period prior to the audit. If no payments are due and owing the Contractor and Prosecutor, the Contractor and Prosecutor shall immediately refund all amounts which may be due the FIA.

Contract No:	CS/PA-99-74002
Amount:	\$ 120,928.00
Index Code:	93100
Prog Cost Acct (PCA):	81135
Agency Object Code:	6155
Commodity Code:	FTR 1002
Federal I.D.#:	38-6006420
Mail Code:	021
Method of Payment:	Actual Cost

AGREEMENT
between
FAMILY INDEPENDENCE AGENCY
and
THE COUNTY OF SAINT CLAIR

This Agreement, effective the first day of January 1999 and ending the thirtieth day of September 1999, is by and between the **Family Independence Agency**, having a mailing address of 235 S. Grand Avenue, P.O. Box 30037, Lansing, Michigan 48909 (hereinafter referred to as the "FIA"), the **County of Saint Clair**, a public organization, having a mailing address of 201 McMorran Boulevard, Port Huron, MI, 48060, (hereinafter referred to as the "Contractor"), and the **Prosecuting Attorney** for the County (hereinafter referred to as the "Prosecutor").

WHEREAS, the FIA is authorized to contract with State or local units of government and private agencies under the provisions of MCLA 400.10; and,

WHEREAS, the FIA has the authority to enter into a Cooperative Agreement under and in accordance with policies established by the FIA, as well as under and in accordance with Title IV-D of the Social Security Act as amended and the provisions of part 302.34 and 304, Chapter III, Title 45, Code of Federal Regulations; and

WHEREAS, the FIA is desirous of purchasing services, and the Contractor and Prosecutor desire to provide services in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the above, and in consideration of the promises and mutual covenants hereinafter contained, the parties hereto agree as follows:



RESOLUTION 99-04

APPROVING COOPERATIVE REIMBURSEMENT IV-D PROGRAM
AGREEMENT FOR THE ST. CLAIR COUNTY PROSECUTING ATTORNEY

WHEREAS, the Michigan Family Independence Agency proposes to renew its "Cooperative Reimbursement (IV-D) Program" wherein direct grants are made to the counties under the provisions and in accordance with Title IV-D of the Social Security Act, as amended, and the provisions of part 302.34 and 304, Chapter III, Title 45, Code of Federal Regulations for the purpose of staffing sufficient personnel to assist in the collection of money for recipients of the A.D.C. Program, and other service programs, as well as certain services rendered by the Prosecuting Attorney's Office; and

WHEREAS, payment shall be made on the basis of the program budget, a copy of which is attached hereto and made part hereof, provided that no more than One Hundred Twenty Thousand Nine Hundred Twenty-eight and no/100ths (\$120,928.00) Dollars shall be paid from combined County and State funds during the life of this agreement and provided further that Twenty Seven Thousand Two Hundred Forty-one and no/100ths (\$27,241.00) Dollars of the above amount is the County's appropriation contributed to the Title IV-D Program.

NOW, THEREFORE BE IT RESOLVED THAT:

1. The St. Clair County Board of Commissioners does hereby approve the execution of the Cooperative Reimbursement Program agreement between the Prosecuting Attorney for the County of St. Clair and the Michigan Family Independence Agency.

2. The Chairperson of this Board is hereby authorized to execute said agreement for and on behalf of St. Clair County.

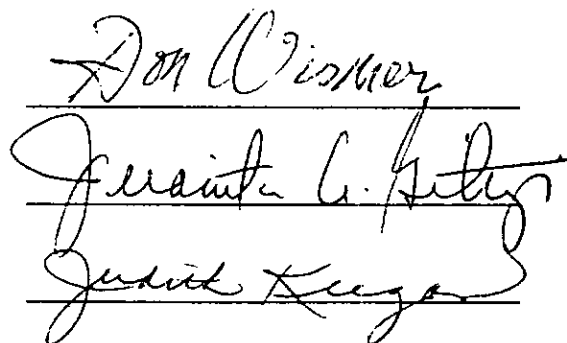
3. All resolutions and parts of resolutions, insofar as the same conflict with the provisions of this resolution be, and the same hereby are rescinded.

DATED: February 10, 1999

Reviewed and Approved by:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060



RESOLUTION _____

ST. CLAIR COUNTY SOLID WASTE MANAGEMENT PLAN

WHEREAS, Part 115 of PA 451 of 1994, as amended, requires in part that "a municipality located in 2 counties...may request to be included in the adjacent county's plan", and

WHEREAS, the request shall be approved by a resolution of the County Boards of Commissioners of the Counties involved in order for such a municipality to be included in the Solid Waste Management Plan of the adjacent County, and

WHEREAS, the City of Memphis is located in both Macomb County and St. Clair County, and

WHEREAS, the City of Memphis adopted a resolution at its regular meeting on December 15, 1998, to be included in and to adopt the Macomb County Solid Waste Management Plan when implemented.

WHEREAS, the City of Memphis was formerly included in the St. Clair County Solid Waste Management Plan, approved by the MDEQ in 1990, and

WHEREAS, it is the intent of St. Clair County to approve the inclusion of the City of Memphis in the Macomb County Solid Waste Management Plan and to omit all of the City of Memphis from the 1999 St. Clair County Solid Waste Management Update Plan planning area.

NOW, THEREFORE, BE IT RESOLVED, that the St. Clair County Board of Commissioners approve the inclusion of the City of Memphis in the Macomb County Solid Waste Management Plan Update planning area pursuant to Act 451 of 1994 as amended.



METROPOLITAN PLANNING COMMISSION

County of St. Clair, Michigan

200 GRAND RIVER, PORT HURON, MICHIGAN 48060

(810) 989-6950

GORDON RUTTAN, DIRECTOR

M E M O R A N D U M

To: Environmental Affairs/Public Works Committee,
St. Clair County Board of Commissioners

From: Solid Waste Management Planning Committee Staff

Subject: Inclusion of the St. Clair County Portion of the City of Memphis In the Macomb
County Solid Waste Management Plan Area

Date: January 28, 1999

CC: Ted Frantz, Chairman
St. Clair County Solid Waste Management Planning Committee

Please review the following draft resolution approving the inclusion of the City of Memphis in the Macomb County Solid Waste Management Plan Update planning area and pass on for approval to the full Board of Commissioners.

In 1990 the City of Memphis requested to be included in the St. Clair County Solid Waste Management Plan Update planning area. For the 1999 Plan Update, Memphis has requested to be included in Macomb County's planning area.

The St. Clair County Solid Waste Management Planning Committee took action on January 25, 1999 asking that the St. Clair County Board of Commissioners, review the following draft resolution. Any questions or concerns on this matter can be directed to Planning staff.

A Government of Service



RESOLUTION 99-05

ST. CLAIR COUNTY SOLID WASTE MANAGEMENT PLAN

WHEREAS, Part 115 of PA 451 of 1994, as amended, requires in part that "a municipality located on 2 Counties. . . may request to be included in the adjacent County's plan; and

WHEREAS, the request shall be approved by a resolution of the County Boards of Commissioners of the counties involved in order for such a municipality to be included in the Solid Waste Management Plan of the adjacent County; and

WHEREAS, the City of Memphis is located in both Macomb and St. Clair County; and

WHEREAS, the City of Memphis adopted a resolution at its regular meeting on December 15, 1998 to be included in and to adopt the Macomb County Solid Waste Management Plan when implemented.

WHEREAS, the City of Memphis was formerly included in the St. Clair County Solid Waste Management Plan, approved by the MDEQ in 1990; and

WHEREAS, it is the intent of St. Clair County to approve the inclusion of the City of Memphis in the Macomb County Solid Waste Management Plan and to omit all of the City of Memphis from the 1999 St. Clair County Solid Waste Management Update Plan planning area.


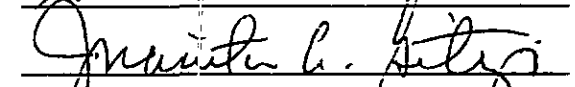
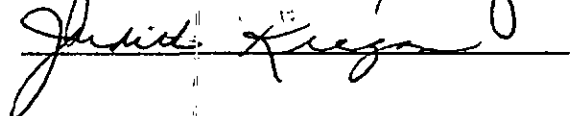
NOW, THEREFORE, BE IT RESOLVED, that the St. Clair County Board of Commissioners approve the inclusion of the City of Memphis in the Macomb County Solid Waste Management Plan Update planning area pursuant to Act 451 of 1994 as amended.

DATED: February 10, 1999

Reviewed and Approved as to Form by:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060.

RESOLUTION 99-06

ADOPTING COLLECTIVE BARGAINING AGREEMENT
BETWEEN
ST. CLAIR COUNTY
AND
COMMUNITY MENTAL HEALTH EMPLOYEES
CHAPTER 10
A.F.S.C.M.E. LOCAL 1518

WHEREAS, the Community Mental Health Employees Chapter 10 of A.F.S.C.M.E. Local 1518 is recognized by the Michigan Employment Relations Commission and the County of St. Clair as the exclusive representative of certain employees of the St. Clair County Mental Health Agency; and

WHEREAS, the parties have collectively bargained mutually acceptable terms and conditions.

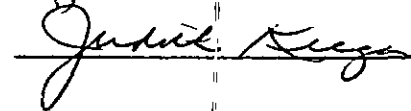
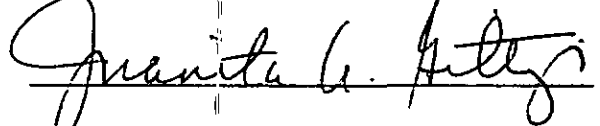
NOW, THEREFORE, BE IT RESOLVED, that the Collective Bargaining Agreement (Attached Exhibit "A"), for the period January 1, 1998 through December 31, 2001 is hereby approved and adopted.

DATED: February 10, 1999

Reviewed and Approved as to Form by:



Elwood L. Brown
County Corporation Counsel
301 County Building
Port Huron, MI 48060



RESOLUTION 99-07

APPROVING COOPERATIVE REIMBURSEMENT IV-D PROGRAM
AGREEMENT FOR THE ST. CLAIR COUNTY FRIEND OF THE COURT
FOR 1999

WHEREAS, the Michigan Department of Social Services proposed to renew its "Cooperative Reimbursement (IV-D) Program" wherein direct grants are made to the counties under the provisions and in accordance with Title IV-D of the Social Security Act, as amended, and the provisions of part 304, Chapter III, Title 45, Code of Federal Regulations for the purpose of staffing sufficient personnel to assist in the collection of money for recipients of the A.D.C. Program, and other service programs, as well as certain services rendered by the Friend of the Court's office.

WHEREAS, payment shall be made on the basis of the program budget, a copy of which is attached hereto and made a part hereof, provided that no more than One Million Four Hundred Twenty Seven Thousand Six Hundred Fifty One and no/100 dollars (\$1,427,651.00) shall be paid from combined County and State funds during the life of this agreement, provided further that Three Hundred Seventy Two Thousand, Nine Hundred Forty Seven and no/100 dollars (\$372,947.00) of the above amount is the County's appropriation contributed to Title IV-D Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

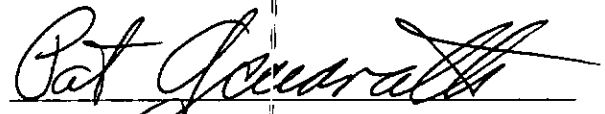
1. The St. Clair County Board of Commissioners does hereby approve the execution of the Cooperative Reimbursement Program Agreement between the Friend of the Court for the County of St. Clair and the Michigan Family Independence Agency.
2. The Chairperson of this Board is hereby authorized to execute said agreement for and on behalf of St. Clair County.
3. A copy of said Agreement is attached hereto and made a part hereof.
4. All resolutions and parts of resolutions, insofar as the same conflict with the provisions of this resolution be, and the same hereby are rescinded.

DATED: February 24, 1999

REVIEWED AND APPROVED
AS TO FORM BY:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060



RESOLUTION 99-08

**APPROVING APPLICATION TO THE DEPARTMENT OF NATURAL
RESOURCES FOR FUNDS TO DEVELOP 1.25 MILES OF ABANDONED
CSX RAILROAD RIGHT OF WAY FROM IMLAY CITY ROAD TO BEARD ROAD
AS A NON-MOTORIZED RECREATIONAL TRAIL**

WHEREAS, the County will make application to the Michigan Department of Natural Resources for funds to develop 1.25 miles of CSX Railroad right of way; and

WHEREAS, the right of way will be used as a non-motorized recreational trail; and

WHEREAS, the 1995 St. Clair County Citizen Recreation Survey indicated that 88% of the respondents thought that the creation of a County trails network was either very important or important; and

WHEREAS, the County's Master Recreation Plan identified the acquisition and development of the Wadhams to Avoca rail trail as short term goal; and

WHEREAS, the citizens of St. Clair County approved a special millage to fund County parks and Recreation properties, facilities and programs; and

WHEREAS, the St. Clair County Parks and Recreation Commission has conducted a public hearing on this matter on behalf of the County Board of Commissioners as required by the Michigan Department of Natural Resources.

WHEREAS, the St. Clair County Parks and Recreation Commission has formally requested that the County Board approve the grant application.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of St. Clair County does hereby authorize and grant its support for the application by St. Clair County to the Michigan Department of Natural Resources to obtain grant funds for the development of 1.25 miles of CSX Railroad right of way from Imlay City Road to Beard Road.

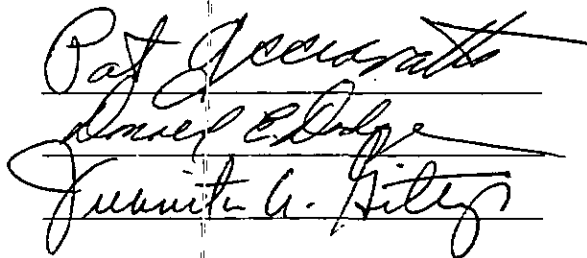
BE IT FURTHER RESOLVED, that the County, through the authority of its Board of Commissioners, does hereby commit County Parks and Recreation millage funds to provide the necessary local matching funds upon award of a grant as well as providing maintenance for the project once constructed.

DATED: March 10, 1999

Reviewed and approved as to Form By:



Elwood L. Brown
County Corporation Counsel
301 County Building
Port Huron, MI 48060



401 QUALIFIED PLAN EMPLOYEE CENSUS FORM



- Instructions to Employer: List all employees initially eligible to participate in your Qualified Plan. Photocopies of this form may be used if needed. If you prefer not to use this form, provide a separate list that includes the same information. This form does not enroll participants in your plan. Please include an Employee Enrollment Form for each eligible participant, including terminated employees.

Date March 10, 1999

Page 1 of 1

Employer Name County of St. Clair Employer State Michigan

Employee Name	Social Security Number	Date of Employment	Date of Termination*	Annual Salary	Birthdate
Troy Lee Feltman	367-86-9732	2/16/99		\$75,000.00	7/22/63

* If applicable



401 QUALIFIED PLAN EMPLOYER DATA FORM

• Instructions to Employer: Provide necessary information to establish your plan properly. Please contact Client Services at 1-800-326-7272, if you have any questions.



RC Use Only
1. Employer Number

General Plan Information	<p>2. Employer's Full Name (City of, County of, etc.) <u>County of St. Clair</u></p> <p>3. Employer's Mailing Address <u>200 Grand River</u></p> <p>4. City <u>Port Huron</u> 5. State <u>Michigan</u> 6. Zip Code <u>48060</u></p> <p>7. Employer's Federal Tax Identification Number _____</p> <p>8. Number of Employees _____</p> <p>9. Number of Employees Eligible for Plan _____</p> <p>10. Last Month of Plan Year (write in month 01-12) <u>01-12</u></p>
Contact Information	<p>11. Title (not name) of Plan's Primary Contact Person <u>Administrator/Controller</u> Primary Contact Person will automatically receive all RC correspondence, reports, and bulletins Telephone (810) <u>989-6900</u></p> <p>12. Title (not name) of Contact Person for Benefit Payments <u>Payroll/Pension Supervisor</u> Telephone (810) <u>989-6905</u></p> <p><input checked="" type="checkbox"/> Check here if Contact Person for Benefit Payments should receive RC correspondence, reports and bulletins</p> <p>13. Title (not name) of Contact Person for Contributions <u>Payroll/Pension Supervisor</u> Telephone (810) <u>989-6905</u></p> <p><input type="checkbox"/> Check here if Contact Person for Contributions should receive RC correspondence, reports, and bulletins</p> <p>Note: If neither of the boxes in 12 or 13 is checked, default correspondent will be Plan Coordinator named in the resolution.</p>
Implementation of Plan	<p>14. Contribution Frequency (check one): <input type="checkbox"/> (W) Weekly <input type="checkbox"/> (M) Monthly <input type="checkbox"/> Other (specify)</p> <p style="padding-left: 100px;"><input type="checkbox"/> (B) Biweekly <input type="checkbox"/> (S) Semi-monthly</p> <p>15. Contribution Data Format (check one): <input type="checkbox"/> (T) Tape <input type="checkbox"/> (QD) QUICK DISK <input type="checkbox"/> (E) EDT</p> <p style="padding-left: 100px;"><input type="checkbox"/> (C) Contribution Statement <input type="checkbox"/> (D) Diskette</p> <p>16. First pay date following plan implementation <u>March 18, 1999</u></p> <p>17. Are employees covered by the plan also covered by another qualified plan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

- XII. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.
- XIII. The Prototype Sponsor hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 15.05 of the Plan or of the discontinuance or abandonment of the Plan.
- XIV. The Employer hereby appoints the Prototype Sponsor as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION PROTOTYPE MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

- XV. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.
- XVI. An adopting Employer may not rely on a notification letter issued by the National or District Office of the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code. In order to obtain reliance with respect to plan qualification, the Employer must apply to the appropriate key district office for a determination letter.

This Adoption Agreement may be used only in conjunction with basic Plan document number 001.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 19__.

EMPLOYER

Accepted: ICMA RETIREMENT CORPORATION

By: _____

By: _____

Title: _____

Title: Corporate Secretary

Attest: _____

Attest: _____

2. If the Participant is or has ever been a participant in a defined benefit plan maintained by the Employer, and if the limitation in Section 6.04 of the Plan would be exceeded, then the Participant's Projected Annual Benefit under the defined benefit plan shall be reduced in accordance with the terms thereof to the extent necessary to satisfy such limitation. If such plan does not provide for such reduction, or if the limitation is still exceeded after the reduction, annual additions shall be reduced to the extent necessary in the manner described in Sections 6.01 through 6.03. The methods of avoiding the limitation described in this paragraph will not apply if the Employer indicates another method below.

Other Method. (Note to Employer: Provide below language which will satisfy the 1.0 limitation of section 415(e) of the Code. Such language must preclude Employer discretion. See section 1.415-1 of the Regulations for guidance.)

3. The limitation year is the following 12-consecutive month period: January-December

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements as noted and (2) the concurrence of the Plan Administrator.

<u>Years of Service Completed</u>	<u>Specified Percent Vesting</u>	<u>Minimum Vesting Requirements**</u>
Zero	<u>100</u> %	No minimum
One	<u> </u> %	No minimum
Two	<u> </u> %	No minimum
Three	<u> </u> %	Not less than 20%
Four	<u> </u> %	Not less than 40%
Five	<u> </u> %	Not less than 60%
Six	<u> </u> %	Not less than 80%
Seven, or more	<u>100</u> %	Must equal 100%

(**These minimum vesting requirements conform to the Code's three to seven year vesting schedule. If the employee becomes 100% vested by the completion of five years of service, there is no minimum for years three and four.)

XI. Loans are permitted under the Plan, as provided in Article XIV:

Yes No

2. Each Participant may make voluntary (unmatched), after-tax contribution, subject to the limitations of Section 4.05 and Articles V and VI of the Plan.

Yes

No

3. Employer contributions and Participant contributions shall be contributed to the Trust in accordance with the following payment schedule:

Bi-weekly

VIII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

(a) Overtime

Yes

No

(b) Bonuses

Yes

No

IX. LIMITATION ON ALLOCATIONS

If the Employer (i) maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, and/or (ii) maintains a welfare benefit fund (as defined in section 419(e) of the Code) or an individual medical account (as defined in section 415(l)(2) of the Code, under which amounts are treated as Annual Additions with respect to any Participant in this Plan) the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Sections 6.03 and 6.04 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, other than a Regional Prototype Plan, the provisions of Section 6.02(a) through (f) of the Plan will apply as if the other plan were a Master Prototype Plan, unless another method has been indicated below.

Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)

The Employer hereby elects to "pick up" the Mandatory/Required Participant Contribution.

Yes No

[Note to Employer: Neither an opinion letter issued by the Internal Revenue Service with respect to the Prototype Plan, nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are picked up by the Employer are not includable in the Participant's gross income for federal income tax purposes. The Employer may seek such a ruling.

Picked up contributions are excludable from the Participant's gross income under section 414(h)(2) of the Internal Revenue Code of 1986 only if they meet the requirements of Rev. Rul. 81-35, 1981-1 C.B. 255. Those requirements are (1) that the Employer must specify that the contributions, although designated as employee contributions, are being paid by the Employer in lieu of contributions by the employee; and (2) the employee must not have the option of receiving the contributed amounts directly instead of having them paid by the Employer to the plan.]

Fixed Employer Match of Participant Contributions.

The Employer shall contribute on behalf of each Participant ___% of Earnings for the Plan Year (subject to the limitations of Articles V and VI of the Plan) for each Plan Year that such Participant has contributed ___% of Earnings or \$____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.

Variable Employer Match Of Participant Contributions.

The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Articles V and VI of the Plan):

_____ % of the Participant contributions made by the Participant for the Plan Year (not including Participant contributions exceeding ___% of Earnings or \$_____);

PLUS _____ % of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Participant contributions exceeding in the aggregate ___% of Earnings or \$_____).

Employer Contributions on behalf of a Participant for a Plan Year shall not exceed \$_____ or ___% of Earnings, whichever is more or less.

V. Normal Retirement Age shall be age 65 (not to exceed age 65).

VI. ELIGIBILITY REQUIREMENTS:

1. The following group or groups of Employees are eligible to participate in the Plan:

- All Employees
- All Full-Time Employees
- Salaried Employees
- Non-union Employees
- Management Employees
- Public Safety Employees
- General Employees
- Other (specify below)
Administrator/Controller position only

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personal manuals or other material in effect in the state or locality of the Employer.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be N/A (write N/A if an Employee is eligible to participate upon employment).

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is 21 (not to exceed age 21. Write N/A if no minimum age is declared.)

VII. CONTRIBUTION PROVISIONS

1. The Employer shall contribute as follows (choose one, if applicable):

Fixed Employer Contributions With Or Without Mandatory Participant Contributions.

The Employer shall contribute on behalf of each Participant 13 % of Earnings or \$ for the Plan Year (subject to the limitations of Article VI of the Plan). Each Participant is required to contribute 5 % of Earnings or \$ for the Plan Year as a condition of participation in the Plan. (Write "0" if no contribution is required.) If Participant Contributions are required under this option, a Participant shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

**ICMA RETIREMENT CORPORATION
PROTOTYPE MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT
#001**

Account Number 7298

The Employer hereby establishes a Money Purchase Plan and Trust to be known as Administrator/
Controller Retirement Plan (the "Plan") in the form of the ICMA Retirement
Corporation Prototype Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

Yes No

If yes, please specify the name of the defined contribution money purchase plan which this Plan
hereby amends and restates:

I. Employer: County of St. Clair, Michigan

II. Prototype Sponsor:

Name: ICMA Retirement Corporation

Address: 777 N. Capitol Street, N.E.
Washington, D.C. 20002-4240

Telephone Number: (202) 962-4600

III. The Effective Date of the Plan shall be the first day of the Plan Year during which the
Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

IV. Plan Year will mean:

The twelve (12) consecutive month period which coincides with the limita-
tion year. (See Section 6.05(i) of the Plan.)

The twelve (12) consecutive month period commencing on _____ and
each anniversary thereof.



hereby authorizes the Chairperson of the Board of Commissioners to execute all necessary agreements with the ICMA Retirement Corporation incidental to the administration of the plan.

I, Marilyn Dunn, Clerk of the County of St. Clair, do hereby certify that the foregoing resolution proposed by Commissioner Quain, was duly passed and adopted by the St. Clair County Board of Commissioners at a regular meeting thereof assembled this 10th day of March, 1999, by the following vote:

AYES:

6: Commissioners, Keegan, Dodge, Wismer, Quain, and Acciavatti.

NAYS:

ABSENT: -1 Commissioner Masters.

Marilyn Dunn

Marilyn Dunn
County Clerk/Register of

Deeds

DATED: March 10, 1999

Reviewed and Approved as to Form by:

Elwood L. Brown

Elwood L. Brown
County Corporation Counsel
301 County Building
Port Huron, MI 48060

Pat Acciavatti

Ronald E. Body

Patricia C. ...

Resolution 99-09
Administrator/Controller Money Purchase Plan

Whereas, the St. Clair County recognizes that employees render valuable services; and

Whereas, the establishment of a money purchase retirement plan will benefit the Administrator/Controller by providing funds for retirement and funds for beneficiaries in the event of death.

Whereas, St. Clair County desires that this money purchase plan be administered by the ICMA Retirement Corporation and that the funds held under such plan be invested in the ICMA Retirement Trust, a trust established by public employers for the collective investment of funds held under their retirement and deferred compensation plans:

NOW THEREFORE BE IT RESOLVED that St. Clair County hereby establishes or has established a money purchase retirement plan (the "Plan") in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust, pursuant to the specific provisions of the Adoption Agreement (executed copy attached hereto).

The Plan shall be maintained for the exclusive benefit of the Administrator/Controller and his beneficiaries; and

BE IT FURTHER RESOLVED that the St. Clair County hereby executes the Declaration of Trust of the ICMA Retirement Trust, attached hereto, intending this execution to be operative with respect to any retirement or deferred compensation plan subsequently established by St. Clair County, if the assets of the plan are to be invested in the ICMA Retirement Trust.

BE IT FURTHER RESOLVED, that St. Clair County hereby agrees to serve as trustee under the Plan and to invest funds held under the Plan in the ICMA Retirement Trust; and

BE IT FURTHER RESOLVED, that the Administrator/Controller shall be the coordinator for the Plan; shall receive necessary reports, notices, etc., from the ICMA Retirement Corporation or the ICMA Retirement Trust; shall cast, on behalf of the Employer, any required votes under the ICMA Retirement Trust; may delegate and administrative duties relating to the Plan to appropriate departments; and

BE IT FURTHER RESOLVED, that St. Clair County Board of Commissioners

RESOLUTION 99-10

AMENDING RESOLUTION 97-62 APPROVING COOPERATIVE REIMBURSEMENT
IV-D PROGRAM FOR THE ST. CLAIR COUNTY FRIEND OF THE COURT

WHEREAS, the Michigan Department of Social Services and the County of St. Clair on December 3, 1997 entered into a "Cooperative Reimbursement IV-D Program" wherein direct grants are made to the counties under the provisions and in accordance with Title IV-D of the Social Security Act, as amended, and the provisions of Part 304, Chapter III, Title 45, Code of Federal Regulations for the purpose of staffing sufficient personnel to assist in the collection of money for recipients of the A.D.C. Program, and other service programs, as well as certain services rendered by the Friend of the Court's office; and

WHEREAS, the Department of Social Services of the State of Michigan, designated the Family Independence Agency by Act 223, PA 1995 (hereinafter referred to as the "Agency") entered into a contractual Agreement effective January 1, 1998, with the County of St. Clair (hereinafter referred to as "Contractor"), for the provision of certain services as set forth therein; and

WHEREAS, it is mutually desirable to the Agency and to the Contractor to amend this Agreement.

NOW THEREFORE, BE IT RESOLVED: That in consideration of the mutual promises hereinabove and hereinafter contained, the parties agree to the following amendments of said Agreement:

Article I. 1. On Page One (1) and Page 12 (12) Section III Paragraph D, the maximum dollar amount of the Agreement shall be increased as follows: The amount of this Agreement, as appropriated by the Contractor for funding year January 1, 1998 through December 31, 1999 shall increase by \$90,817.00 to a new total of \$1,864,296.00.

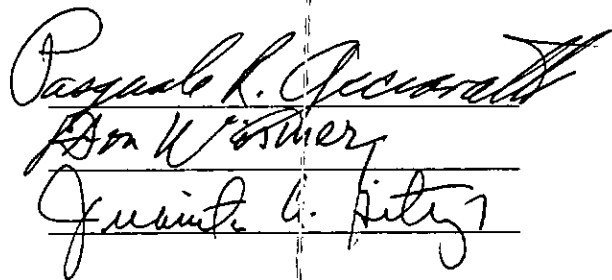
2. The amount added by this Amendment shall be restricted to expenditures from January 1, 1998 through December 31, 1998. The Agency shall reimburse an amount up to the state's share of actual expenditures as reflected in the attached revised Cooperative Reimbursement Budget which is made a part of this Amendment.
3. An amended Cooperative Reimbursement Contract Application, mutually approved, shall reflect all changes and be included by reference as a part of this Amendment.
4. This amendment, effective January 1, 1998 shall be attached to the Agreement and made a part thereof.
5. The Chairperson of this Board is hereby authorized to execute said agreement for and on behalf of St. Clair County
6. All resolutions and parts of resolutions, insofar as the same conflict with the provisions of this resolution, be, and the same hereby are rescinded.

DATED: March 24, 1999

Reviewed and Approved as To Form By:



Elwood L. Brown
County Corporation Counsel
301 County Building
Port Huron, MI 48060



Raymond L. Jucoski
James W. Wosmer
James L. Pitzer

RESOLUTION

A RESOLUTION TO URGE THE CANADIAN AND UNITED STATES GOVERNMENTS NOT TO ALLOW THE TRANSPORTATION OF WEAPONS-USABLE FISSILE MATERIAL ON THE GREAT LAKES AND/OR THROUGH ST. CLAIR AND LAMBTON COUNTIES.

WHEREAS, the Canadian and United States governments are considering allowing the transportation of weapons-usable fissile materials, including plutonium, on the Great Lakes for disposition.

WHEREAS, there are many known problems with transporting volatile and carcinogenic materials that must be considered. The security and environmental risks are considerable and utilizing the Great Lakes waterways would jeopardize the drinking water, health and environment for millions of Canadian and United States residents; and

WHEREAS, there are other land based routes through Canada that would not include transportation on the Great Lakes and through St. Clair and Lambton Counties.

NOW, THEREFORE, BE IT RESOLVED, by the St. Clair County Board of Commissioners to urge the Canadian and United States governments to refrain from transporting weapons-usable fissile materials, including plutonium on the Great Lakes waterways and also through St. Clair and Lambton Counties; and

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to the United States Department of Energy Office of Fissile Materials Disposition, Canadian Atomic Energy Control Board, Canadian elected Federal and Provincial officials and United States Federal and State elected officials.

RESOLUTION 99-11

**ADDING THE MODIFIED PLAN AND 80-RULE PROVISIONS FOR
ST. CLAIR COUNTY WASTEWATER TREATMENT PLANT INTERNATIONAL UNION
OF OPERATING ENGINEERS-LOCAL 547-A,B,C,E,H EMPLOYEES' PARTICIPATION
IN THE ST. CLAIR COUNTY EMPLOYEES' RETIREMENT SYSTEM**

WHEREAS, the St. Clair County Wastewater Treatment Plant Union Employees are eligible to Participate in the St. Clair County Employees' Retirement System; and

WHEREAS, the St. Clair County Board of Commissioners has authority and responsibility to establish terms, conditions and policy regarding the participation of said employees in the St. Clair County Retirement System; and

WHEREAS, the St. Clair County Board of Commissioners has reviewed the St. Clair County Employees' Retirement System and has determined that a Modified Plan and 80-Rule be made available; and

WHEREAS, the St. Clair County Board of Public Works determines that the Union Employees of the St. Clair County Wastewater Treatment Plant are eligible to participate in said Modified Plan and 80-Rule by Resolution 99-07, adopted March 23, 1999.

NOW , THEREFORE, BE IT RESOLVED, that the St. Clair County Board of Commissioners resolves that the St. Clair County Wastewater Treatment Plant Union Employees be eligible to participate in the St. Clair County Retirement System as follows:

- I. Union Wastewater Treatment Plant employees who maintained contributions in the St. Clair County Retirement System prior to March 10, 1999 shall be entitled to select one of the following options:

a. Historic Plan

- i. A final average compensation based on 2% per year based On the best five (5) of the last ten (10) years of service to A maximum of 64%.
- ii. Eligibility for health care upon eligibility for a pension Under the vesting terms of the Retirement System.

b. Modified Plan

- i. A final average compensation as follows:

<u>Years of Service</u>	<u>Annual Percentage</u>	<u>Applicable</u>
1-10	1.75%	Accumulative
11-19	2.00%	Accumulative
20-24	2.00%	Retroactive to 1 st year
25+	2.40%	Retroactive to 1 st year

- ii) Maximum final average compensation at 69.6% at 29 years of Service.
- iii) Eligible for health care upon attaining twenty (20) years of Service. The cost of the health care plan shall be borne by The retirement plan.
- iv) Each employee eligible to exercise an option shall be Provided an election form by the County. The employee Shall submit their executed election form on or before March 1, 2000. Failure to submit an election form shall Result in the employee being subject to the Modified Plan. An employees election shall be irrevocable.

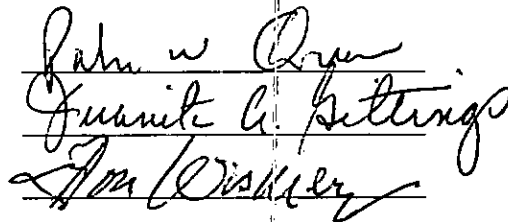
- 2. Wastewater Treatment Plant Union employees whose employment commences On or after March 10, 1999, shall have no option but shall be subject to the Modified plan provided in the preceding 1.b 1), ii) and iii).
- 3. An employee shall be eligible for early retirement when the combination Of years and months of actual service and age equal eighty (80) years, Provided the employee shall also have completed twenty-five (25) years Of actual service. Years of actual service shall mean that period of time Employed and contributing to the St. Clair County Employees' Retirement Plan and excluding, by way of example, reciprocity through other retirement Plans or the purchase of military service time.
- 4. All resolutions and parts of resolutions in conflict with this resolution are To the extent of conflict, hereby rescinded.

DATED: April 14, 1999

Reviewed and Approved as to form by:



Elwood L. Brown
County Corporation Counsel
301 County Building
Port Huron, MI 48060



Interest shall be payable to the person who is the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment as shown on the registration books of the County maintained by the Transfer Agent (defined below) for the Bonds, by check or draft mailed to the registered owner at the registered address. The date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the County to conform to market practice in the future.

Michigan National Bank, Farmington Hills, Michigan is hereby designated as transfer agent for the Bonds (the "Transfer Agent"), provided, however, that the Road Commission and the County Treasurer may, at their discretion, designate a different Transfer Agent in consultation with the purchaser of the Bonds before the Bonds are delivered. The County Treasurer or her deputy is hereby authorized to execute an agreement with the Transfer Agent on behalf of the County.

The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York ("DTC"), and any officer of the County is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry-only form and to make such changes in the form of the Bonds within the parameters of this Resolution as may be required to accomplish the foregoing.

5. The Bonds shall be executed for and on behalf of the County by the actual or facsimile signature of the Chairperson of the County Board of Commissioners and countersigned by the actual or facsimile signature of the County Clerk and shall bear the actual or a facsimile of the County Seal. No Bond bearing two facsimile signatures shall be valid until authenticated by an authorized officer or representative of the Transfer Agent.

The Bonds, when executed as aforesaid, shall be delivered to said Transfer Agent for authentication, who shall then deliver the same to the purchaser thereof in accordance with instructions from the County Treasurer upon receipt of the purchase price for the Bonds in accordance with the bid therefor when accepted. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to said Transfer Agent for safekeeping.

6. Any Bond may be transferred by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the County shall execute and said Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the Bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The date of determination of registered owner for purposes of payment of interest as provided in this resolution may be changed by the County to conform to market practice in the future.

7. The proceeds of the sale of the Bonds shall be deposited in a separate depository account to be designated ST. CLAIR COUNTY 1999 MICHIGAN TRANSPORTATION FUND CONSTRUCTION FUND (the "Construction Fund") the moneys in such fund to be used solely and only to pay costs of the Highway Improvements. Any accrued interest paid at the time of the delivery of the Bonds and any premium thereon shall be deposited in the Debt Retirement Fund established pursuant to Section 10 of this resolution. Moneys in the Construction Fund may be continuously invested and reinvested as permitted by law in investments which shall mature or which shall be subject to redemption by the holder thereof not later than the respective dates as estimated by the Road Commission when moneys in said fund will be required to pay costs of the Highway Improvements. Obligations so purchased as an investment of moneys of the Construction Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

8. For the purpose of providing moneys to pay the principal of and interest on the Bonds and in accordance with the provisions of Section 18c of Act 51, there is hereby irrevocably appropriated sufficient of the moneys received, and to be received, by the Road Commission from the Michigan Transportation Fund. The Road Commission is hereby directed during each year that any of the principal of and interest on the Bonds remains outstanding and unpaid to set aside and allocate into an account to be designated ST. CLAIR COUNTY 1999 MICHIGAN TRANSPORTATION FUND BONDS DEBT RETIREMENT FUND sufficient moneys received during each such year from the Michigan Transportation Fund pursuant to law to pay the next maturing installment of the principal of and interest on the Bonds.

9. Pursuant to the authorization of Section 18c of Act 51, and as additional security for the prompt payment of the principal of and interest on the Bonds, the County Board of Commissioners does hereby agree on behalf of the County that in the event the funds pledged for the payment of the principal of and interest on the Bonds are at any time insufficient to pay the same as they severally become due, the County Treasurer shall advance sufficient moneys from the general funds of the County to make up the deficiency, reimbursement for any such advance to be made from the first subsequent revenues received by the Road Commission from the Michigan Transportation Fund not pledged or required to be set aside and used for the payment of the principal of and interest on the Bonds, or other bonds, notes and evidences of indebtedness.

10. The Bonds shall be in substantially the following form subject to such changes as bond counsel may be deem advisable at the time of execution of the Bonds.

UNITED STATES OF AMERICA
STATE OF MICHIGAN

COUNTY OF ST. CLAIR

1999 MICHIGAN TRANSPORTATION FUND BOND

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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Registered Owner:

Principal Amount: Dollars

The County of St. Clair, State of Michigan (the "County"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on August 1, 1999 and semiannually thereafter. Principal of this bond is payable at the principal corporate trust office of Michigan National Bank, Farmington Hills, Michigan, or such other transfer agent as the County may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to an interest payment date (the "Transfer Agent"). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the interest payment date as shown on the registration books of the County kept by the Transfer Agent by check or draft mailed by the Transfer Agent to the registered owner of record at the registered address.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$6,000,000 issued pursuant to the authorization provided in Act 51, Public Acts of Michigan, 1951, as amended, and a resolution of the Board of Commissioners of the County, for the purpose of defraying the costs of County highway construction and reconstruction and work incidental thereto.

Bonds of this issue maturing in the years 2000 through 2009, inclusive, shall not be subject to redemption prior to maturity.

Bonds or \$5,000 portions thereof maturing in the years 2010 and thereafter shall be subject to redemption prior to maturity, at the option of the County, in such order of maturity as the County shall determine and within any maturity by lot, on any interest

payment date on or after August 1, 2009 at par, plus accrued interest to the date fixed for redemption.

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owners of bonds or portions thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. Bonds so called for redemption shall not bear interest after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem said bonds.

In the event this bond is not held in book-entry-only form, then this bond is transferable only upon the books of the Issuer kept for that purpose at the office of the Transfer Agent by the registered owner hereof in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution, and upon the payment of the charges, if any, therein prescribed.

This bond and the interest thereon are payable primarily from funds received, and to be received, by the Board of County Road Commissioners of the County from the Michigan Transportation Fund pursuant to law, said fund being a special fund in the State Treasury wherein taxes imposed by law upon gasoline or other motor fuels and on certain motor vehicles and certain other taxes are required by law to be set aside as collected, and the resolution authorizing the issuance and sale of said bonds irrevocably appropriates sufficient of said moneys to provide for the payment of the principal of and interest on this bond, and the series of bonds of which this is one, when due. In the event the funds pledged for the payment of this bond, and the series of bonds of which this is one, are for any reason insufficient to pay the principal of and interest thereon when due, the County Treasurer of the County is obligated to advance sufficient moneys from the general funds of the County to make up such deficiency.

This bond is not a general obligation of the State of Michigan.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of this bond and the series of bonds of which this is one, in order to make them valid and binding obligations of said County, have been done, exist and have happened in regular and due form and time as required by law, and that the total indebtedness of said County, including this bond and the series of bonds of which this is one, does not exceed any constitutional or statutory limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the County of St. Clair, by its Board of Commissioners, has caused this bond to be signed in the name of said County with the facsimile signature of the Chairperson of the Board of Commissioners of the County and to be countersigned with the facsimile signature of the County Clerk and its corporate seal to be printed hereon, all as of the Date of Original Issue.

COUNTY OF ST. CLAIR

By [facsimile signature to appear here]
Chairperson, Board of Commissioners

(SEAL)

Countersigned:

By [facsimile signature to appear here]
County Clerk

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]

Certificate of Authentication

This bond is one of the bonds described in the within-mentioned Resolution.

Michigan National Bank
Farmington Hills, Michigan
As Transfer Agent

By _____
Authorized Signatory

Date of Registration: _____

[standard form of assignment to be inserted]

11. The County shall not invest, reinvest or accumulate any moneys deemed to be proceeds of the Bonds pursuant to the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder (the "Code") in such a manner as to cause the Bonds to be "arbitrage bonds" within the meaning of the Code. The County hereby covenants that, to the extent permitted by law, it will take all actions within its control and that it shall not fail to take any action as may be necessary to maintain the exemption of interest on the Bonds from gross income for federal income tax purposes, including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds, all as more fully set forth in the Non-Arbitrage and Tax Compliance Certificate to be delivered by the County on the date of delivery of the Bonds.

12. Either the Managing Director or the Chairperson or the Secretary of the Road Commission or the County Administrator/Controller (each, an "Authorized Officer") is hereby authorized to notify State Treasury of the County's intent to issue the Bonds, to execute the Notice of Intent form required by State Treasury and the applications for waiver, if any, to pay the related fee, to request an order providing an exception for the Bonds from prior approval by State Treasury, to execute and deliver other documents as may be required by State Treasury in connection with such order, and to request State Treasury to grant any waivers as he or she may, in his or her discretion, deem to be appropriate.

In the event State Treasury issues an order denying an exception from prior approval, any of the Authorized Officers is authorized to submit an application for prior approval to State Treasury and to execute and deliver any documents as may be required by State Treasury in connection therewith.

13. The Managing Director of the Road Commission is hereby authorized on behalf of the County to prepare and distribute a Preliminary Official Statement describing the Bonds and to "deem final" the Preliminary Official Statement for purposes of compliance with Securities and Exchange Commission Rules.

14. The Managing Director of the Road Commission is hereby authorized to prepare, execute and distribute a final Official Statement for and on behalf of the County.

15. In order to enable the purchaser of the bonds to comply with the requirements of rule 15c2-12 promulgated by the securities and exchange commission, the County hereby agrees to undertake continuing disclosure. Pursuant to the terms of the Continuing Disclosure Undertaking (attached hereto as Exhibit C), the County would provide, or cause to be provided, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, (ii) timely notice of the occurrence of certain material events with respect to the refunding bonds, and (iii) timely notice of a failure by the county to provide the required annual financial information on or before the date required in the Continuing Disclosure Undertaking. The Managing Director of the Road Commission shall execute such Continuing Disclosure Undertaking

on behalf of the County in substantially the form as provided in Exhibit C attached hereto, with only such changes that the County shall, in consultation with bond counsel, determine to be appropriate.

16. After receipt of an order from State Treasury granting approval to issue the Bonds or granting an exception from approval, the Managing Director or the Secretary of the Road Commission is authorized to fix the date of sale for the Bonds and to complete the form of Notice of Sale shown in Exhibit A with such additions or deletions as she may deem to be advisable, and to publish the Notice of Sale in accordance with the provisions of Act 51 and Act 202, Public Acts of Michigan, 1943, as amended. At the time of publication of the Notice of Sale the Managing Director or the Secretary of the Road Commission may make such adjustments to the schedule of maturities, principal amounts, date of issuance, interest payment dates, redemption rights, bidding details, and other bond details within the limitations contained in this resolution as she may deem to be advisable in consultation with bond counsel.

The Road Commission is hereby designated to act for and on behalf of the County to receive bids for the purchase of the Bonds, award the Bonds on sale thereof at a discount not exceeding 1.0% and at a net interest cost not exceeding 7%. In making such determinations the Road Commission or any of the Authorized Officers is authorized to rely upon data and computer runs provided by the Municipal Advisory Council.

The Road Commission or any of the Authorized Officers is hereby authorized and directed to take all other steps necessary in connection with the sale and delivery thereof.

17. The County recognizes that Miller, Canfield, Paddock and Stone, P.L.C., has represented from time to time, and currently represents financial institutions and other potential participants in the bond financing process for unrelated projects, any of which might offer to purchase the County's Bonds or to act as Transfer Agent for the Bonds. The County appoints Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel for this issue, notwithstanding the potential concurrent representation of any such bidder regarding any unrelated matter.

18. Any officers, administrators, agents and attorneys of the County and its Road Commission are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary to complete the issuance and delivery of the Bonds in accordance with this Resolution and to pay costs of issuance including bond counsel fees, rating agency fees, insurance fees if economically reasonable, costs of printing the Bonds and the preliminary and final official statements, and any other costs necessary or convenient to accomplish sale and delivery of the Bonds.

19. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the County Board of Commissioners, County of St. Clair, State of Michigan at a regular meeting held on April 14, 1999, at 7:30 o'clock p.m., prevailing 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 Open Meetings Act.

I further certify that the following Members were present at said meeting Judy Keegan, Don Wismer, Juanita Gittings, Lee Masters, Pat Quain
Pat Acciavatti, and Don Dodge.
and that the following Members were absent none

I further certify that Member Masters moved adoption of said resolution and that Member Keegan supported said motion.

I further certify that the following Members voted for adoption of said resolution: Don Dodge, Juanita Gittings, Lee Masters, Pat Quain,
Don Wismer, and Judy Keegan Abstained -1. Pat Acciavatti, due to possible
and that the following Members voted against adoption of said resolution: conflict

County Clerk
St. Clair County, Michigan

DATED: April 14, 1999
R

Reviewed and Approved as to Form by:



Elwood L. Brown
County Corporation Counsel
301 County Building
Port Huron, MI 48060

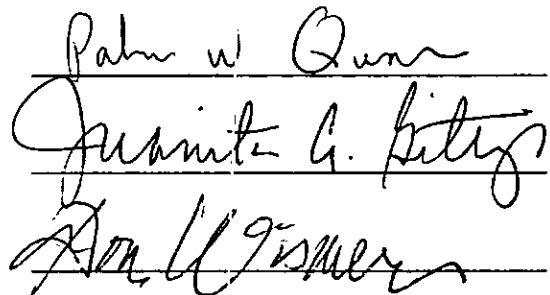


EXHIBIT A

OFFICIAL NOTICE OF SALE

\$6,000,000

COUNTY OF ST. CLAIR

STATE OF MICHIGAN

MICHIGAN TRANSPORTATION FUND BONDS, SERIES 1999

SEALED BIDS for the purchase of the above bonds will be received by the undersigned at the at the office of the St. Clair County Road Commission located at 21 Airport Drive, St. Clair, Michigan 48079 on Tuesday, the 1st day of June, 1999, until _____ o'clock __m., prevailing Eastern Time, at which time and place said bids will be publicly opened and read. Bids will also be received simultaneously and publicly opened and read by an agent of the undersigned at the Municipal Advisory Council of Michigan, 1445 First National Building, Detroit, Michigan 48226. Bidders may choose either location to present bids and good faith checks, but may not present bids at both locations. The bids will be awarded to the successful bidder at a Road Commission meeting to be held on that date.

BOND DETAILS: The bonds will be fully-registered bonds of the denomination of \$5,000 each, or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, originally dated June 1, 1999, and will bear interest from their date payable on August 1, 1999, and semiannually thereafter.

The bonds will mature on August 1 of each year in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2000	280,000	2008	410,000
2001	290,000	2009	430,000
2002	305,000	2010	455,000
2003	320,000	2011	475,000
2004	340,000	2012	500,000
2005	355,000	2013	525,000
2006	375,000	2014	550,000
2007	390,000		

OPTIONAL REDEMPTION: Bonds of this issue maturing in the years 2000 through 2009, inclusive, shall not be subject to redemption prior to maturity.

Bonds or \$5,000 portions thereof maturing in the years 2010 and thereafter shall be subject to redemption prior to maturity, at the option of the County, in such order of maturity as the County shall determine and within any maturity by lot, on any interest payment date on or after August 1, 2009 at par, plus accrued interest to the date fixed for redemption.

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owners of bonds or portions thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. Bonds so called for redemption shall not bear interest after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem said bonds.

INTEREST RATE AND BIDDING DETAILS: The bonds shall bear interest at a rate or rates not exceeding 7% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. The interest on any one bond shall be at one rate only. All bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rate on the bonds shall not exceed three (3%) percent per annum. No proposal for the purchase of less than all of the bonds or at a price less than 99% of their par value will be considered.

BOOK-ENTRY ELIGIBLE: At the option of the initial purchaser of the Bonds, 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 bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York; if this option is selected, 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, and purchasers will not receive certificates representing their interest in Bonds purchased.

TRANSFER AGENT AND REGISTRATION: Principal and interest shall be payable at the principal corporate trust office of Michigan National Bank, Farmington Hills, Michigan, or such other transfer agent as the County may hereafter designate by notice mailed to the registered owner not less than 60 days prior to any interest payment date. Interest shall be paid by check or draft mailed to the owner as shown by the registration books of the County on the fifteenth (15th) day of the month prior to any interest payment date. The books will be transferable only upon the registration books of the County kept by the transfer agent. If the original purchaser of the Bonds selects the option of the Bonds being issued in book-entry only form, then as long as The Depository Trust Company or its nominee, Cede & Co., is the Bondholder, payments will be made directly to DTC. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the Bonds is the responsibility of the DTC Participants and Indirect Participants.

PURPOSE AND SECURITY: The bonds are to be issued pursuant to the provisions of Act 51, Public Acts of Michigan, 1951, as amended (particularly Section 18c thereof), and are issued in anticipation of the Michigan Transportation Fund payments to be received by the Board of County Road Commissioners of the County of St. Clair pursuant to law for the purpose of paying the cost of County highway construction and reconstruction and work incidental thereto. In the event such funds are for any reason insufficient to pay the principal of and interest on said bonds when due, the County Treasurer of the County of St. Clair is obligated to advance sufficient moneys from the general funds of the County to make up such deficiency. The bonds shall not be a general obligation of the State of Michigan. The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance, or other laws affecting creditors' rights generally and by the application of general principles of equity including those relating to equitable subordination, now existing or hereafter enacted.

TAX MATTERS: In the opinion of bond counsel, assuming compliance with certain covenants, interest on the bonds is excluded from gross income for federal income tax purposes as described in the opinion, and the bonds and interest thereon are exempt from all taxation in the State of Michigan except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

PURCHASER CERTIFICATION: The successful bidder will be required to furnish a certificate in a form acceptable to bond counsel as to the "issue price" of the bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986.

NOT QUALIFIED TAX EXEMPT OBLIGATIONS: The County has NOT designated the bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions.

GOOD FAITH: A certified or cashier's check drawn upon an incorporated bank or trust company or a Financial Surety Bond, in the amount of \$120,000, and payable to the order of the Treasurer of the St. Clair County Road Commission is required for each bid as a guarantee of good faith on the part of the bidder, to be forfeited as a portion of the County's damages if such bid be accepted and the bidder fails to take up and pay for the Bonds. If a check is used, it must accompany each bid. If a Financial Surety Bond is used, it must be from an insurance company licenses to issue such a bond in the State of Michigan and such bond must be submitted to the Municipal Advisory Council of Michigan at least one hour prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose good faith deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser (the "Purchaser") is required to submit its good faith deposit to the County in the form of a cashier's check (or wire transfer such amount as instructed by the County) not later than Noon, prevailing Eastern Time, on the next business day following the award. If such good faith deposit is not received by that time, the Financial Surety Bond may be drawn by the County to satisfy the good faith deposit requirement. The good faith deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the good faith deposit will be retained by the County. No interest shall be allowed on the good faith check and checks of the unsuccessful bidders will be returned to each bidder's representative or by

mail. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the Bonds shall be made at the closing.

AWARD OF BONDS: The bonds will be awarded to the bidder whose bid produces the lowest interest cost computed by determining, at the rate or rates specified in the bid, the total dollar value of all interest on the bonds from June 1, 1999, to their maturity, and adding thereto any discount and deducting therefrom any premium.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, the original of which opinion will be furnished without expense to the purchaser of the Bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C., for services rendered in connection with such approving opinion are expected to be paid from Bond proceeds. Except to the extent necessary to issue their approving opinion as to validity of the above Bonds, Miller, Canfield, Paddock and Stone, P.L.C., has not been requested to examine or review and has not examined or reviewed 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 documents, statements or materials. In submitting a bid for the Bonds, the bidder agrees to the representation of the County by Miller, Canfield, Paddock and Stone, P.L.C. as Bond counsel.

DELIVERY OF BONDS: The County will furnish bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser through DTC, New York, New York or at a place to be mutually agreed upon. 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 delivery of the bonds. If the bonds are not tendered for delivery by twelve o'clock noon, prevailing Eastern Time, on the 45th day following the date of sale or the first business day thereafter if said 45th day is not a business day, the successful bidder may, on that day or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned, in which event the County shall promptly return the good faith deposit. Accrued interest to the date of delivery of the bonds shall be paid by the purchaser at the time of delivery. Payment for the bonds must be made in immediately available funds.

CUSIP: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the County; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser of the Bonds.

BOND INSURANCE AT PURCHASER'S OPTION: If the bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the

option and expense of the purchaser of the bonds. Any increased costs of issuance of the bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the County has requested and received a rating on the bonds from a rating agency, the County will pay the fee for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE COUNTY.

CONTINUING DISCLOSURE: The County has agreed by resolution to provide or cause to be provided, in accordance with the requirements of Rule 15c-12 (the "Rule") promulgated by the Securities and Exchange Commission, (i) on or prior to the last day of the sixth month after the end of its fiscal year, commencing for the County with the fiscal year ended December 31, 1998 certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement relating to the Bonds, (ii) timely notice of the occurrence of certain material events with respect to the Bonds and (iii) timely notice of a failure by the County to provide the required annual information on or before the dates specified in (i) above.

OFFICIAL STATEMENT: The County will provide the winning bidder with 100 final Official Statements within 7 business days from the date of sale so as to permit the underwriter to comply with SEC Rule 15c2-12. Additional copies of the Official Statement will be supplied by the County upon request and agreement to pay the cost of additional copies. Requests for additional copies should be made to the County within 24 hours of the date of sale.

FURTHER INFORMATION may be obtained from the St. Clair County Road Commission, 21 Airport Drive, St. Clair, Michigan 48079, telephone (810) 364-5720 or from the Road Commission's Financial Advisor, First of Michigan, .

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES containing the bids should be plainly marked "Proposal for Michigan Transportation Fund Bonds."

Donald Maronde, Managing Director
Board of County Road Commissioners
County of St. Clair, Michigan

EXHIBIT B
Highway Improvements

Primary heavy maintenance and reconstruction of several of the highways in the County of St. Clair, including Fargo Road M-136 to Yale Road and Kilgore Road Pine River to M-136.

EXHIBIT C

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Undertaking") is executed and delivered by the St. Clair Road Commission, State of Michigan (the "County"), in connection with the issuance of its Michigan Transportation Fund Bonds, Series 1999 (the "Bonds"). The County covenants and agrees for the benefit of the Bondholders, as hereinafter defined, as follows:

(a) *Definitions.* The following terms used herein shall have the following meanings:

"Audited Financial Statements" means the annual audited financial statement pertaining to the County prepared by an individual or firm of independent certified public accountants as required by Act 2, Public Acts of Michigan, 1968, as amended, which presently requires preparation in accordance with generally accepted accounting principles.

"Bondholders" shall mean the registered owner of any Bond or any person (a) with the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bond (including any person holding a Bond through a nominee, depository or other intermediary) or (b) treated as the owner of any Bond for federal income tax purposes.

"Disclosure Representative" means the Director of the St. Clair County Road Commission or his or her designee, or such other officer, employee, or agent as the County shall designate from time to time in writing.

"MSRB" means the Municipal Securities Rulemaking Board.

"NRMSIR" means each nationally recognized municipal securities information repository as designated by the SEC in accordance with the Rule.

"Rule" means Rule 15c2-12 promulgated by the SEC pursuant to the Securities Exchange Act of 1934, as amended.

"SEC" means the United States Securities and Exchange Commission.

"SID" means the state information depository for the State of Michigan as designated by the SEC in accordance with the Rule.

(b) *Continuing Disclosure.* The County hereby agrees, in accordance with the provisions of the Rule, to provide or cause to be provided to each NRMSIR and to the SID for the State of Michigan ("SID"), on or before the last day of the 6th month

after the end of the fiscal year of the County, the following annual financial information and operating data, commencing with the fiscal year ended June 30, 1999:

(1) Updates of the numerical financial information and operating data included in the official statement of the County relating to the Bonds (the "Official Statement") appearing in the Tables in the Official Statement for the current fiscal year as described below:

- a. Property Tax Rates - current year;
- b. SEV/Taxable Valuation History - current year State Equalized Valuation and Taxable Value;
- c. Total Taxable Value by Class and by Use;
- d. Property Tax Collection - current year;
- e. Population;
- f. Statement of Legal Debt Margin;
- g. Debt Statement - Direct Debt;
- h. Revenues from the State of Michigan;
- i. Labor Contracts.

(2) Audited Financial Statements; provided, however, that if the Audited Financial Statements are not available by the date specified above, they shall be provided when available and unaudited financial statements in a format similar to the financial statements contained in the Official Statement will be filed by such date and the Audited Financial Statements will be filed as soon as available.

Such annual financial information and operating data described above are expected to be provided directly by the County in the following documents to be filed with each NRMSIR and the SID, if any: the Audited Financial Statements; materials containing the updates described in (b)(1) above; and in subsequent official statements of the County filed with the MSRB.

If the fiscal year of the County is changed, the County shall send notices of such change to each NRMSIR or the MSRB, and to the SID, prior to the earlier of the ending date of the fiscal year prior to such change or the ending date of the fiscal year as changed.

(c) *Notice of Failure to Disclose.* The County agrees to provide or cause to be provided, in a timely manner, to (i) each NRMSIR or the MSRB and (ii) the SID, notice of a failure by the County to provide the annual financial information with respect to the County described in subsection (b) above on or prior to the dates set forth in subsection (b) above.

(d) *Occurrence of Events.* The County agrees to provide or cause to be provided in a timely manner to (i) each NRMSIR or the MSRB and (ii) the SID, if any,

notice of the occurrence of any of the following events listed in (b)(5)(i)(C) of the Rule with respect to the Bonds, if applicable, if material:

- (1) principal and interest payment delinquencies
- (2) non-payment related defaults
- (3) unscheduled draws on debt service reserves reflecting financial difficulties
- (4) unscheduled draws on credit enhancements reflecting financial difficulties
- (5) substitution of credit or liquidity providers, or their failure to perform
- (6) adverse tax opinions or events affecting the tax-exempt status of the security
- (7) modifications to rights of security holders
- (8) bond calls
- (9) defeasances
- (10) release, substitution, or sale of property securing repayment of the securities
- (11) rating changes

(e) *Materiality Determined Under Federal Securities Laws.* The County agrees that its determination of whether any event listed in subsection (d) is material shall be made in accordance with federal securities laws.

(f) *Termination of Reporting Obligation.* The obligation of the County to provide annual financial information and notices of material events, as set forth above, shall be terminated if and when the County no longer remains an "obligated person" with respect to the Bonds within the meaning of the Rule, including upon legal defeasance of all Bonds.

(g) *Benefit of Bondholders.* The County agrees that its undertaking pursuant to the Rule set forth in this Undertaking is intended to be for the benefit of the Bondholders and shall be enforceable by any Bondholder; provided that, the right to enforce the provisions of this Undertaking shall be limited to a right to obtain specific enforcement of the County's obligations hereunder and any failure by the County to

comply with the provisions of this Undertaking shall not constitute a default or an event of default with respect to the Bonds.

(h) *Amendments to the Undertaking.* Amendments may be made in the specific types of information provided or the format of the presentation of such information to the extent deemed necessary or appropriate in the judgment of the County, provided that the County agrees that any such amendment will be adopted procedurally and substantively in a manner consistent with the Rule, including any interpretations thereof by the SEC, which, to the extent applicable, are incorporated herein by reference. Such interpretations currently include the requirements that (a) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the County or the type of activities conducted thereby, (b) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (c) the amendment does not materially impair the interests of Bondholders, as determined by parties unaffiliated with the County (such as independent legal counsel), but such interpretations may be changed in the future. If the accounting principles to be followed by the County preparing of the Audited Financial Statements are modified, the annual financial information for the year in which the change is made shall present a comparison between the financial statements as prepared on the prior basis and the statements as prepared on the new basis, and otherwise shall comply with the requirements of the Rule, in order to provide information to investors to enable them to evaluate the ability of the County to meet its obligations. A notice of the change in accounting principles shall be sent (i) to each NRMSIR or the MSRB and (ii) the SID.

IN WITNESS WHEREOF, the County has caused this Undertaking to be executed by its authorized officer.

ST. CLAIR COUNTY ROAD COMMISSION
State of Michigan

By _____
Donald Maronde
Its Managing Director

Dated: June __, 1999

DELIB:2051119.1\111707-00001

SCHEDULE A

Repayment of the Principal Amount shall be made according to the following schedule until the full Principal Amount disbursed to the Issuer as shown on the Registration Grid is repaid, unless prepaid as provided in the Bond. In event that the Principal Amount disbursed to the Issuer is less than \$_____ or in event of prepayment of the Bond, the Authority may prepare a new payment schedule which shall be approved by a resolution of the Board of Public Works.

<u>Principal Installment Due on April 1</u>	<u>Amount of Principal Installment</u>
2002	\$250,000
2003	250,000
2004	250,000
2005	300,000
2006	300,000
2007	325,000
2008	350,000
2009	375,000
2010	375,000
2011	400,000
2012	425,000
2013	425,000
2014	450,000
2015	450,000
2016	500,000
2017	500,000
2018	525,000
2019	525,000
2020	525,000

14. Nothing contained in this resolution or the Contract shall be construed to prevent the County from issuing additional bonds under the provisions of the Act for any of the purposes authorized by the Act, but any such bonds shall in no way have any lien on or be payable out of the Contractual Payments pledged to the payment of the Bonds of these authorized issues, except such additional bonds as may be necessary may be issued to complete the Project pursuant to the authorization provided in the Contract.
15. The proceeds of sale of each series of the Bonds shall be deposited in a special depository account in a bank to be designated by the Board of Public Works, said account to be designated as the St. Clair County Water Supply System No. III-1999 Series (Charter Townships of China and East China) Bond Construction Fund” (hereinafter referred to as the “Construction Fund”). The moneys from time to time in such fund shall be used solely and only to pay costs of acquiring and constructing the Project. Any premium and accrued interest paid at the time of delivery of each series of the Bonds shall be deposited into the respective Debt Retirement Fund for the Bonds.
16. The provisions of this resolution, together with the Contract, shall constitute a contract between the County and the holder or holders of each series of the Bonds from time to time, and after the issuance of each series of the Bonds, no change, variation or alteration of the provisions of this resolution and the Contract may be made which would lessen the security for each series of the Bonds. The provisions of this resolution and the Contract shall be enforceable by appropriate proceedings taken by such holder either at law or in equity.
17. The County covenants and agrees with the successive holders of each series of the Bonds that so long as each series of the Bonds remains outstanding and unpaid as to either principal or interest:

(a) The County and the Board of Public Works, as agency of the County, will punctually perform all of their obligations and duties under this resolution and the Contract, including all collection, segregation and application of the Contractual Payments in the manner required by the provisions of this resolution.

(b) The County and the Board of Public Works, as the agency of the County, will apply and use the proceeds of the sale of each series of the Bonds for the purposes and in the manner required by the Contract and this resolution. The County will maintain and keep proper books of record and account relative to the application of funds for the construction of the Project and the Contractual Payments received pursuant to the Contract or monies advanced by the County. Not later than three (3) months after the end of each year, the Board of Public Works shall cause to be prepared a statement, in reasonable detail, sworn to by its chief accounting officer, showing the application of the proceeds of the sale of each series of the Bonds, the cash receipts from the Contractual Payments or monies advanced by the County during such year, and the application thereof, and such other information as may be necessary to enable any taxpayer or any holder or owner of each series of the Bonds, or anyone acting in their behalf, to be fully informed as to all matters pertaining to the construction of the Project and application of funds therefor or for the payment of each series of the Bonds during such year. A certified copy of said statement shall be filed with the County Clerk and the Clerk of the Local Units.

(c) The County will take or abstain from taking all actions required by the Internal Revenue Code and regulations thereunder as may be necessary to retain for the interest on the bonds the exemption from direct federal income taxation, including specifically all actions and abstention from actions as required by the Non-Arbitrage and Tax Compliance Certificate and related documents furnished in connection with the bonds.

18. The Authority's proposed form of Purchase Contract between the County and the Authority (the "Purchase Contract") and the proposed form of Supplemental Agreement among the County, the Authority, the Local Units and DEQ (the "Supplemental Agreement") which shall be placed on file with the County Clerk are hereby approved. Officers of the Board of Public Works are hereby jointly or severally authorized to execute and deliver the Purchase Contract and the Supplemental Agreement upon completion of the forms approved hereby with such revisions as they may determine to be necessary or desirable, permitted by law, and not materially adverse to the County. Officers of the Board of Public Works are hereby jointly or severally authorized to execute and deliver an Issuer's Certificate in the form provided by the Authority and other necessary closing documents in such form as said officers may determine to be necessary or desirable, permitted by law, and not materially adverse to the County.
19. The Board of Public Works is authorized to take any actions necessary to comply with requirements of the Authority and DEQ in connection with sale of the Bonds to the Authority. The Board of Public Works is authorized to execute and deliver such other certificates, documents, instruments, and other papers as may be required by the Authority or DEQ or as may be otherwise necessary or convenient to effect the delivery of the Bonds.
20. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are repealed.

21. This resolution shall become effective immediately upon its passage.

AYES: Members Dodge, Gittings, Masters, Wismer, KeeganQuain, & Keegan.
Abstained -1; Acciavatti, due to a possible conflict of interest.

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

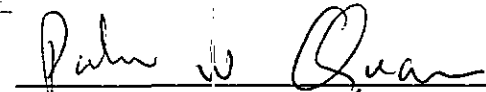
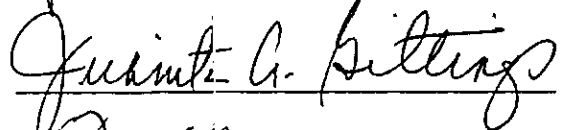

County Clerk

DATED: April 14, 1999

Reviewed and Approved As to Form By: -



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

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, State of Michigan, by the vote of at least 3/5 of its members elect, at a regular meeting held on April 14, 1999, 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.

County Clerk

DELIB:2046041.3\078015-00077

RESOLUTION OF BOARD OF COMMISSIONERS OF
ST. CLAIR COUNTY AUTHORIZING THE ISSUANCE OF
MICHIGAN TRANSPORTATION FUND BONDS

WHEREAS, the Board of County Road Commissioners (the "Road Commission") of the County of St. Clair (the "County") has proposed financing of the costs of construction or reconstruction of highways and work incidental thereto within the County as briefly described on Exhibit B attached hereto and made part hereof (the "Highway Improvements"); and

WHEREAS, Section 18c of Act 51, Public Acts of Michigan, 1951, as amended ("Act 51"), authorizes any county to borrow money and issue bonds for the purposes of paying all or any portion of the cost of construction or reconstruction of highways and all work incidental thereto; and

WHEREAS, under the provisions of Act 51, all gasoline and other motor vehicle taxes and certain other taxes collected under the laws of the State are required to be deposited into the State Treasury to the credit of the Michigan Transportation Fund, and after deduction of certain specified necessary expenses of administration and enforcement, such moneys are apportioned and appropriated for each fiscal year to the State Transportation Department, the County Road Commissions of the State, and to the incorporated cities and villages of the State, to be distributed and used for highway and transportation purposes in the manner provided in said Act 51; and

WHEREAS, Section 18c of Act 51 authorizes issuance of bonds in anticipation of the moneys to be received by the Road Commission from the Michigan Transportation Fund, and the total aggregate amount of such bonds is limited to that amount as will be serviced as to their maximum annual principal and interest requirements by an amount equal to twenty per cent (20%) of the moneys received by the Road Commission from the Michigan Transportation Fund during the fiscal year next preceding the issuance of the bonds; and

WHEREAS, the Road Commission has prepared and presented to the County Board of Commissioners a resolution recommending the authorization and issuance of bonds under the provisions of Section 18c of Act 51 in an aggregate principal sum not to exceed \$6,000,000 to provide funds to pay part of the costs of the Highway Improvements; and

WHEREAS, the County has not pledged any of the moneys to be received from the Michigan Transportation Fund under the terms of Section 12 of Act 51 to the payment of any notes, bonds or contract obligations of higher priority than the bonds to be issued pursuant to this resolution and any obligations which the County may have outstanding under the provisions of Section 18c of Act 51 (the "Outstanding Obligations"), and has not specifically allocated such receipts for any other purposes; and

WHEREAS, the bonds, together with the Outstanding Obligations, will comply with all the requirements of and are within the limitations expressed in Act 51;

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

1. The recommendation of the Road Commission that the Highway Improvements be constructed and the estimation of costs of the Highway Improvements to be an amount not to exceed \$6,000,000 is hereby approved.

The term "costs of the Highway Improvements" as used in this resolution shall be deemed to include costs of construction and all work incidental thereto, including engineering, legal, and financing costs heretofore or hereafter incurred.

2. The period of usefulness of the Highway Improvements is determined to be not less than fifteen (15) years.

3. Pursuant to the recommendation of the Road Commission and in accordance with the authorization provided in Section 18c of Act 51, the County shall borrow a sum not to exceed Six Million Dollars (\$6,000,000) and issue its bonds therefor designated as the MICHIGAN TRANSPORTATION FUND BONDS, SERIES 1999 (the "Bonds") for the purpose of paying all or part of the costs of the Highway Improvements.

4. The Bonds shall consist of bonds registered as to principal and interest of the denominations of any multiple of \$5,000 not exceeding for each maturity the maximum principal amount of the Bonds of that maturity, and shall be numbered as determined by the Transfer Agent (defined below) for the Bonds. Principal of the Bonds shall be payable on the dates, in the amounts and in the manner shown in the proposed form of the Official Notice of Sale set forth in Exhibit A hereto (the "Notice of Sale"). The Bonds shall be dated as shown in the Notice of Sale or as of such later date as may be determined by the Road Commission at the time of sale. The Bonds will be subject to redemption prior to maturity.

The Road Commission is hereby designated, for and on behalf of the County, to (a) prepare a form of Notice of Sale, fix a date of sale, conduct the sale, and accept the best bid received at such sale; (b) publish such Notice of Sale in an authorized publication, at least seven (7) full days prior to the date fixed for sale; and (c) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the bonds, including making continuing disclosure undertakings, purchase of the credit enhancements, and reducing the amount of bonds sold and/or delivered if the Road Commission determines that the full amount thereof is not necessary to complete the Highway Improvements.

The Bonds shall bear interest first payable on August 1, 1999 or such other date determined at the time the Notice of Sale is published and semiannually thereafter at the rates to be determined at public sale but not to exceed the net interest cost provided in Section 17 below.

RESOLUTION 99-17

**REQUESTING WITHHOLDING OF LANDS
AND APPOINTING AGENT FOR
SPECIFIC PERFORMANCE**

WHEREAS, title to certain lands in St. Clair County reverted to the State of Michigan on the 5th day of May, 1999, through provisions of a Circuit Court decree which offered said lands sold for taxes at the Office of the St. Clair County Treasurer at the 1999 Tax Sale; and

WHEREAS, said lands are now under the jurisdiction of the Department of Natural Resources and may be included in the list of land which said Department will schedule to be offered at public auction under the provisions of Section 132 of Michigan Compiled Laws 221, as amended; and

WHEREAS, Section 131c and 131e of M.C.L. 211, as amended, provided that any municipality may, before the first Tuesday of November, 1999, withhold from said sale any lands within its boundaries for the benefit of former owners; and

WHEREAS, it is deemed advantageous to have all information related to the redemption of lands under provisions of said Section 131c and 131e available at one office and payment of said taxes arranged at that office.

NOW, THEREFORE, BE IT RESOLVED:

- I. That all lands in St. Clair County which reverted to the State on May 4, 1999, and upon which application is made to pay taxes before the first Tuesday of November, pursuant to the provisions of Section 131c and 131e of M.C.L. 211, as amended, be withheld from said sale as provided in this Section.

2. That the St. Clair County Treasurer be hereby authorized to act as representative and agent of the Board of Commissioners of St. Clair County to officially advise the Department of Natural Resources of the legal description of land upon which application has been made to pay tax prior to the first Tuesday in November (under the provisions of Section 131c and 131e) and request that said lands be withheld from sale in accordance with provisions of this Resolution.

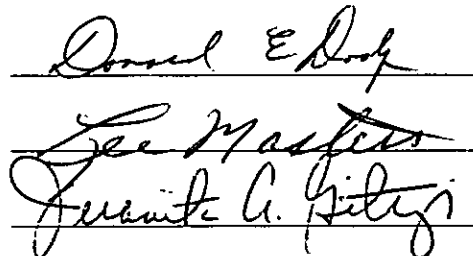
3. That all resolutions and parts of resolutions insofar as the same conflict with the provisions of this Resolution, be, and the same are rescinded.

DATED: May 12, 1999

Reviewed and Approved as to Form by:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060



RESOLUTION 99-16

APPROVING THE 1999 COUNTY EQUALIZATION REPORT

WHEREAS, the constitution of the State of Michigan for 1963 in Section 3 Article 9 includes a requirement for the legislature to provide for the uniform general ad valorem taxation of real and tangible personal property not exempt by law; and

WHEREAS, the matter of equalization by County is governed by Act 206 of 1893, as amended, being MCL 211.23, MSA 7.51 et seq.

WHEREAS, the Michigan Legislature enacted a statute describing true cash value and in connection therewith MCLA 211.27, MSA 7.27 reads in part as follows:

“... Notwithstanding any other provisions of law except as hereinafter provided, property shall be assessed at 50% of its true cash value in accordance with Article 9, Section 3 of the constitution;” and

WHEREAS, the St. Clair County Board of Commissioners and the St. Clair County Department of Equalization have examined the assessment rolls of the various townships and cities in the County of St. Clair, as required, and have determined that such assessment rolls as examined appear to be relatively unequal; and

WHEREAS, the St. Clair County Department of Equalization has, in accordance with the aforementioned constitutional and statutory provisions prepared a tabular statement of the assessed and equalized values of 50% of the true cash value of the real and personal property of the various townships and cities in St. Clair County, said statement being labeled Exhibit “A” attached hereto and made a part hereof by reference.

NOW, THEREFORE, BE IT RESOLVED, THAT:

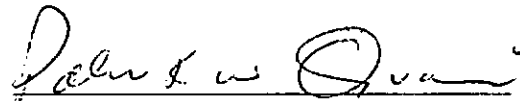
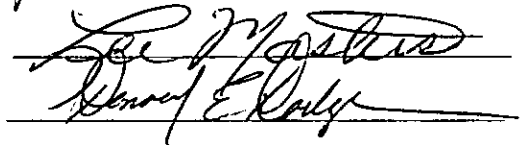
1. The assessment rolls as presented are hereby approved in the assessed and equalized amounts shown in Exhibit “A”.
2. The amounts specified in Exhibit “A” shall be certified by the Chairperson and Clerk of this Board, and that copies be delivered to the respective officials of each township and city of St. Clair County.
3. All resolutions and parts of resolutions, insofar as the same conflict with the provisions of this resolution, be, and the same hereby are rescinded.

DATED: April 28, 1999

Reviewed and Approved as to form by:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

RESOLUTION 99-15

SUPPORTING THE SUBMISSION OF AN APPLICATION FOR A TWO MILLION DOLLAR WATERFRONT REDEVELOPMENT GRANT TO THE MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

WHEREAS, the County Board of Commissioners is committed to promoting economic development which encourages new private investment and creates jobs in St. Clair County; and

WHEREAS, the proposed redevelopment of the properties located on the St. Clair River just south of the Black River currently owned by Canadian National Railroad and CSX Railroad offer a significant opportunity to create both a shoreline passive park and quality private development; and

WHEREAS, the State of Michigan through the Michigan Department of Environmental Quality has made available grant dollars for the redevelopment of old industrial shoreline properties for public shoreline access and quality economic development under the Waterfront Redevelopment Grant program; and

WHEREAS, St. Clair County staff, consultants and interested private developers have prepared a Waterfront Development Plan based on numerous city, county and regional adopted plans and outlined a specific Waterfront Redevelopment Area with specific goals and objectives to guide its redevelopment; and

WHEREAS, the St. Clair County Metropolitan Planning Commission has offered to work with the County Parks and Recreation Commission, the City of Port Huron and private developers to submit a Waterfront Redevelopment Grant application; and

WHEREAS, the application outlines a two million dollar program that includes the acquisition of the CSX Railroad property, and site clean up for the shoreline portion of the Canadian National property and supporting city infra-structure improvements; and


WHEREAS, the St. Clair County Parks and Recreation Commission is prepared to commit \$250,000.00 in County Parks and Recreation Millage funds for one half of the required local match; and

WHEREAS, the City of Port Huron has pledged \$250,000.00 in City General funds for one half of the required local match.

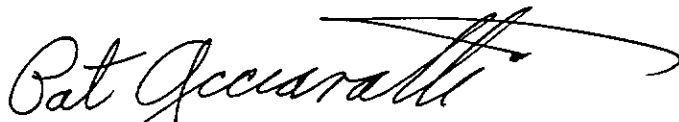

NOW, THEREFORE, BE IT RESOLVED that the St. Clair County Board of Commissioners authorizes and supports the submission of an application for a two million dollar Waterfront Redevelopment Grant to the Michigan Department of Environmental Quality.

DATED: April 14, 1999

Reviewed and Approved as to Form by:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060


Pat Acciavatti
Zee Masters
Juanita Gittings

RESOLUTION 99-13

RESOLUTION AUTHORIZING

ST. CLAIR COUNTY WATER SUPPLY SYSTEM NO. III-1999 SERIES

(CHARTER TOWNSHIPS OF CHINA AND EAST CHINA)

GENERAL OBLIGATION WATER PLANT IMPROVEMENT BONDS

Minutes of a regular Meeting of the Board of Commissioners of the County of St. Clair, Michigan (the "County"), held in said County on the 14th day of April, 1999, at 7:30 o'clock p.m., prevailing Eastern Time.

PRESENT: Members Don Wismer, Pat Quain, Juanita Gittings, Lee Masters,
Judy Keegan, Don Dodge, and Pat Acciavatti.

ABSENT: Members none

The following preamble and resolution were offered by Member Masters and supported by Member Dodge:

WHEREAS, the County, acting by and through its Board of Commissioners and pursuant to the authority conferred upon it by Act 185, Public Acts of Michigan, 1957, as amended (the "Act"), did, by resolution duly adopted by at least a two-thirds (2/3) vote of the members-elect of said Board of Commissioners, establish a Department of Public Works in and for the County for the administration of the powers conferred upon the County by the Act; and

WHEREAS, pursuant to the authorization of Section 2 of the Act, a Board of Public Works (the "Board of Public Works") has been appointed and is functioning as the governing body of said Department of Public Works; and

WHEREAS, the County pursuant to the Act has established the St. Clair County Water Supply System No. III-1999 Series (Charter Townships of China and East China) (the "System"); and

WHEREAS, the County, by and through the Board of Public Works, and the Charter Townships of China and East China, both of the County of St. Clair, State of Michigan (the "Local Units") have entered into a contract (the "Contract") for the acquisition, construction, financing and operating of water plant improvements and expansions (the "Project"), which Contract is made a part of this resolution by this reference thereto; and

WHEREAS, the Contract has been duly approved by resolutions of the Board of Public Works, the County Board of Commissioners, and the legislative bodies of each of the Local Units and has been fully executed by the parties thereto; and

WHEREAS, plans, specifications and estimates of cost of the Project have been prepared by Wade Trim, engineers of Taylor, Michigan (the "Engineers"), and have been duly approved by the Board of Public Works; and

WHEREAS, under the provisions of the Contract, the Local Units have obligated themselves to pay the cost of said Project to be financed by the issuance of bonds of the County by paying the installments, plus interest, as specified in the Contract (the "Contractual Payments"), and have further obligated themselves to collect sufficient moneys annually for the purpose of meeting the Contractual Payments; and

WHEREAS, the County now proposes to issue one or more series of bonds, as authorized by the Act, in anticipation of and secured primarily by the Contractual Payments which the Local Units have in the Contract obligated themselves to provide in such amounts as may be necessary to pay the cost of constructing the Project, and all things necessary to the authorization and issuance of said bonds under the Act having been done, and the County being now empowered and desirous of authorizing the issuance of said bonds; and

Treasury, or in the alternative secure Treasury approval of each issue of the bonds by means of a full application or applications. The Director of the Board of Public Works is hereby authorized and directed to execute the application or applications to the Michigan Department of Treasury.

4. The total estimated cost of acquiring and constructing the Project, including payment of incidental expenses as specified in Section 6 of this resolution, in the amount of not to exceed \$7,500,000 is hereby approved and confirmed.
5. The estimated period of usefulness of the Project is determined to be not less than fifty (50) years.
6. For the purpose of paying all or part of the cost of the Project, including payment of engineering, legal and financial expenses, bonds designated as "St. Clair County Water Supply System No. III-1999 Series (Charter Townships of China and East China) General Obligation Water Plant Improvement Bonds" (the "Bonds") shall be issued by the County, shall consist of one or more series of bonds, and shall be payable primarily out of the contractual payments required to be paid by the Local Units pursuant to the Contract. If the Bonds are issued in more than one series, then the name of each series shall be changed to reflect such additional series. The Bonds shall be issued in an amount of not to exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000) or such lesser amount as shall be determined by the Board of Public Works at the time or times of sale (the "Principal Amount") and approved by the State of Michigan acting through its Department of Environmental Quality ("DEQ") and the Michigan Municipal Bond Authority (the "Authority"). In the event that the first series of the Bonds are issued in an amount less than \$7,500,000 and the County and the Local Units determine that it is necessary to issue a subsequent series of bonds to pay costs of the Project not

deemed eligible by DEQ or the Authority, the Director of the Board of Public Works is authorized to arrange for the publication of a Notice of Sale in substantially the form as provided as follows and to select a Transfer Agent for such second series qualified in the State of Michigan:

OFFICIAL NOTICE OF SALE

§ _____

COUNTY OF ST. CLAIR

State of Michigan

WATER SUPPLY SYSTEM NO. III-1999 SERIES

(CHARTER TOWNSHIPS OF CHINA AND EAST CHINA)

GENERAL OBLIGATION WATER PLANT IMPROVEMENT BONDS, SERIES B

SEALED BIDS for the purchase of the above bonds will be received by the undersigned at the offices of the St. Clair County Board of Public Works located at 21 Airport Drive, St. Clair, Michigan 48079, on ___ day, the ___ day of _____ 1999, until ___ p.m. o'clock p.m., Eastern _____ Time, at which time and place said bids will be publicly opened and read. Sealed bids will also be received simultaneously and publicly opened and read at the offices of Bendzinski & Co., Municipal Finance Advisors, One Kennedy Square, 719 Griswold, Suite 2130, Detroit, Michigan 48226. The County Board of Public Works will meet at _____ o'clock __.m., on that date at the above address to consider the award or rejection of bids.

BOND DETAILS: Said bonds will be registered bonds of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, originally dated September 1, 1999, numbered in order of registration, and will bear interest from their date payable on April 1, 2000, and semiannually thereafter.

The bonds will mature on the 1st day of April of each of the years, as follows:

[insert maturity schedule]

BOOK-ENTRY ONLY: 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 bondholder and 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 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.

PRIOR REDEMPTION: Bonds of this issue maturing in the years 2002 to 2008, inclusive, are not subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 2009 and thereafter may be redeemed at the option of the County, in such order as the County shall determine and within any maturity by lot, on any interest payment date on or after April 1, 2008, at par plus accrued interest to the date fixed for redemption, plus a premium as follows:

½% of the principal amount of each bond or portions thereof called for redemption on or after April 1, 2008, but prior to April 1, 2012.

No premium shall be payable on bonds or portions thereof redeemed on or after April 1, 2012.

Notice of redemption of any bond or portion thereof shall be given by the transfer agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the transfer agent. Bonds shall be called for redemption in multiples of \$5,000 and any bond of a denomination of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000 and such bond may be redeemed in part. Notice of redemption for a bond redeemed in part shall state that upon surrender of the bond to be redeemed a new bond or bonds in aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof. No further interest on a bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the transfer agent to redeem the bond or portion thereof.

INTEREST RATE AND BIDDING DETAILS: The bonds shall bear interest at a rate or rates not exceeding 7% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 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. The difference between the highest and lowest interest rates bid shall not exceed 3%. No proposal for the purchase of less than all of the bonds or at a price less than 99% of their par value will be considered.

TRANSFER AGENT AND REGISTRATION: Principal and interest shall be payable at _____, _____, Michigan, or such other transfer agent as the County of St. Clair (the "Issuer") may hereafter designate by notice mailed to the registered owner of record not less than 60 days prior to an interest payment date. Interest shall be paid by check or draft mailed to the registered owner of record as shown on the registration books kept by the transfer agent as of the 15th day of the month prior to an interest payment date. The bonds will be transferred only upon the registration books of the Issuer kept by the transfer agent.

PURPOSE AND SECURITY: The bonds are being issued for the purpose of acquiring, constructing and equipping necessary water system improvements, including a new water filtration plant and additions, extensions and improvements to the Charter Townships of China and East China's water transmission system which are located in the County of St. Clair pursuant to a Contract between the County and each of the Local Units (as defined herein). Pursuant to an approving vote of the electors of both the Charter Township of China and the Charter Township of East China (the "Local Units"), the payments under the Contract by each of the Local Units will be unlimited tax full faith and credit obligations of each of the Local Units and in order to make such contractual payments to the County, each Local Unit may levy taxes on all taxable property within their respective boundaries without

limitation as to either rate or amount. The bonds will also pledge the limited tax full faith and credit of the County for payment of the principal and interest thereon from ad valorem taxes levied by the County on all taxable property in the County subject to applicable statutory and/or constitutional limitations. The rights or remedies of bondholders may be affected by bankruptcy insolvency, fraudulent conveyance or other laws affecting creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including those relating to equitable subordination.

GOOD FAITH: A certified or cashier's check drawn upon an incorporated bank or trust company or a Financial Surety Bond, in the amount of \$_____ and payable to the order of the Treasurer of the Issuer is required for each bid as a guarantee of good faith on the part of the bidder, to be forfeited as a portion of the Issuer's damages if such bid be accepted and the bidder fails to take up and pay for the bonds. If a check is used, it must accompany each bid. If a Financial Surety Bond is used, it must accompany each bid. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of Michigan and such bond must be submitted to the Issuer's financial advisor at least one hour prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose good faith deposit is guaranteed by such Financial Surety Bond. If the bonds are awarded to a bidder utilizing a Financial Surety Bond, then the purchaser is required to submit its good faith deposit to the Issuer in the form of a cashier's check (or wire transfer such amount as instructed by the Issuer or its financial advisor) not later than Twelve o'clock, Noon, prevailing Eastern Time, on the next business day following the award. If such good faith deposit is not received by that time, the Financial Surety Bond may be drawn by the Issuer to satisfy the good faith deposit requirement. The good faith deposit will be applied to the purchase price of the bonds. In the event the purchaser of the bonds fails to honor its accepted bid, the good faith deposit will be retained by the Issuer. No interest shall be allowed on the good faith checks and checks of the unsuccessful bidders will be promptly returned to each bidder's representative or by registered mail. The good faith check of the successful bidder may be immediately cashed, in which event payment for the balance of the purchase price of the bonds shall be made at the closing.

AWARD OF BONDS: The bonds will be awarded to the bidder whose bid produces the lowest interest cost computed by determining, at the rate or rates specified in the bid, the total dollar value of all interest on the bonds from _____ 1, 1999, to their maturity and deducting therefrom any premium or adding thereto any discount.

TAX MATTERS: In the opinion of bond counsel, assuming compliance with certain covenants, interest on the bonds is excluded from gross income for federal income tax purposes as described in the opinion, and the bonds and interest thereon are exempt from all taxation in the State of Michigan except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof. The successful bidder will be required to furnish, prior to the delivery of the bonds, a certificate in a form acceptable to bond counsel as to the "issue price" of the bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

NOT "QUALIFIED TAX EXEMPT OBLIGATIONS": The Issuer has not designated the bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, a copy of which opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C. 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 validity of the above bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed 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 documents, statements or materials.

DELIVERY OF BONDS: The Issuer will furnish bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser through DTC in New York, New York. 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 delivery of the bonds. If the bonds are not tendered for delivery by twelve o'clock noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned in which event the Issuer shall promptly return the good faith deposit. Payment for the bonds shall be made in Federal Reserve Funds. Accrued interest to the date of delivery of the bonds shall be paid by the purchaser at the time of delivery.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the bonds but neither the failure to print such numbers on any bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds in accordance with terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the bonds shall be paid for by the Issuer; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser.

FINANCIAL CONSULTANT: Further information concerning the bonds may be secured from Bendzinski & Co., Municipal Finance Advisors, One Kennedy Square, 719 Griswold, Suite 2130, Detroit, Michigan 48226, (313) 961-8222, FAX: (313) 961-8220 financial consultant to the Issuer.

OFFICIAL STATEMENTS: A copy of the Official Statement relating to the Bonds may be obtained by contacting Bendzinski & Co. at the address referred to above. The Official Statement is in a form deemed final by the Issuer 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 Issuer will provide on a timely basis 100 copies of the final Official Statement, as that term is defined in paragraph (e)(3) of the rule, at the expense of the Issuer (and such additional copies of the final Official Statement as reasonably requested by, and at the expense of, the successful bidder or bidders) to enable the successful bidders or bidders to comply with paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board. Requests for such additional copies of the final Official Statement shall be made to Bendzinski & Co. at the above address within 24 hours of the award of the bonds.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the Issuer and the Local Units will agree to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, (i) on or prior to the last day of the sixth month after the end of the fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2000, certain annual financial information and operating data, including audited financial statements

for the preceding fiscal year, (or if audited financial statements are not available, unaudited financial statements) generally consistent with the information contained or cross-referenced in the Official Statement relating to the Bonds, (ii) timely notice of the occurrence of certain material events with respect to the Bonds and (iii) timely notice of a failure by the Issuer to provide the required annual financial information on or before the date specified in (i) above.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES containing the bids should be plainly marked "Proposal for System No. III General Obligation Water Improvement Bonds."

Donald Maronde, Director
St. Clair County Board of Public Works

7. The Bonds which are sold to the Authority shall be in the form of a single fully-registered, nonconvertible bond of the denomination of the Principal Amount dated as of the date of delivery of the Bonds, payable in principal installments serially on April 1 of each year in such amounts and beginning on such date as may be determined by the Director of the Board of Public Works at the time of sale of the Bonds and approved by the Authority, provided the first principal repayment shall not be earlier than April 1, 2002 and final payment of principal shall not be later than April 1, 2020. The schedule of principal installments shall be finally determined by the Director of the Board of Public Works at the time of sale of the Bonds to the Authority. Final determination of the Principal Amount and the payment dates and amounts of principal installments of the Bonds shall be evidenced by execution of the Purchase Contract between the Board on behalf of the County and the Authority providing for sale of the Bonds.

The Bonds or installments thereof will be subject to prepayment prior to maturity in the manner and at the times as provided in the form of Bond contained in this Resolution or as may be approved by the Authority.

With the exception of a second series of bonds which will be sold at public sale because the DEQ or the Authority has determined that a portion of the costs of the Project are ineligible for funding by the Authority and will be sold at public sale in accordance with the Notice of Sale provided for herein, the Board of Public Works is hereby authorized to sell the Bonds to the Authority at an interest rate of two and one-half percent (2.50%) per annum and at the par value thereof as evidenced by execution of a Purchase Contract as provided in Section 18 below, and to deliver the Bonds in accordance with the delivery instructions of the Authority.

The Bonds are expected to be delivered to the Authority in installments (the "delivery installments"); the Authority will periodically provide to the County a statement showing the

delivery installments which have been advanced and the date of each advance. The delivery installments shall be deemed to correspond to the serial principal installments of the Bonds in direct chronological order of said serial principal installments.

The serial principal installments of the Bonds will each bear interest from the date of delivery of the corresponding delivery installment at the rate of two and one half percent (2.50%) per annum payable on April 1, 2000 and semiannually thereafter on April 1 and October 1 of each year until maturity or earlier prepayment of said installment; provided however, that at the time of sale of the Bonds to the Authority, the Board of Public Works may approve a lower interest rate or an earlier or a later date for initial payment of interest if approved by the Authority. In the event of a default in the payment of principal or interest thereon when due, whether at maturity, by redemption or otherwise, the Bonds shall bear additional interest as required by the Authority. The Bonds sold to the Authority shall not be convertible or exchangeable into more than one fully-registered bond.

The Board of Public Works shall record on the registration books payment by the County of each installment of principal or interest or both when made and the canceled checks or other records evidencing such payments shall be returned to and retained by the Board of Public Works and shall be conclusive evidence of such payments and the obligation of the County with respect to such payments shall be discharged to the extent of such payments.

Upon payment by the County of all outstanding principal of and interest on the Bonds sold to the Authority, the registered owner thereof shall deliver the Bonds to the County for cancellation.

8. The Chairman of the Board of Commissioners and the County Clerk are hereby authorized and directed to execute either or both issues of the Bonds by means of their manual or facsimile signatures and to cause the seal of the County to be impressed or

printed thereon.

9. Both issues of the Bonds and the interest thereon shall be payable primarily from the Contractual Payments received by the Board of Public Works on behalf of the County, for the payment of which the Local Units have in the Contract each pledged their unlimited tax full faith and credit pursuant to the provisions of the Act and pursuant to the authorization of the registered electors of each of the Local Units voting at a special election thereon, held on August 4, 1998. Pursuant to the provisions of Section 6, Article IX of the Michigan Constitution of 1963, each of the Local Units has covenanted and agreed to levy taxes annually to the extent necessary to provide the funds to meet its respective Contractual Payments when due in anticipation of which the Bonds are issued, which taxes shall not be subject to applicable charter, statutory and constitutional limitations. All of such Contractual Payments are hereby pledged solely and only for the payment of principal of and interest on the Bonds.
10. Pursuant to the authorization provided in the Act, the limited tax full faith and credit of the County is hereby pledged for the prompt payment of the principal of and interest on the Bonds as the same shall become due. If for any reason there are not sufficient funds on hand from the Contractual Payments to pay the principal of and interest on the Bonds when due, upon written notification by the Board of Public Works to the County Treasurer of the amount of such deficiency, the County Treasurer shall promptly deposit into the Debt Retirement Fund for the Bonds the amount of such deficiency out of general funds of the County. If it becomes necessary for the County to so advance any such moneys, it shall be entitled to reimbursement from any surplus from time to time existing in the fund which said principal and interest are primarily payable, or from any other legally available source. The County recognizes and covenants that its full faith

and credit pledge hereunder is a first budget obligation, and, to the extent necessary to provide funds to meet such pledge herein provided, it is obligated to levy ad valorem taxes against the taxable property in the County, which taxes, however, shall be subject to statutory and constitutional limitations.

11. It shall be the duty of the Board of Public Works, after the adoption of this resolution and the sale of either or both issues of the Bonds, to open a special depository account for each issue with a bank or trust company to be designated by the Board of Public Works to be designated Debt Retirement Fund - St. Clair County Water Supply System No. III-1999 Series (Charter Townships of China and East China) General Obligation Water Plant Improvement Bonds, (together the "Debt Retirement Fund") into which separate fund the Board of Public Works shall deposit the amount of any premium and accrued interest received upon delivery of either issue of the Bonds and all Contractual Payments as received, and into which account any advances made by the County pursuant to Section 9 of this resolution shall be deposited. The moneys from time to time on hand in the Debt Retirement Fund shall be used solely and only for the payment of the principal of and interest on either issue of the Bonds, or, to the extent of any surplus, to reimburse the County for any advances made pursuant to Section 10 hereof. The County shall have the right to invest moneys in the Debt Retirement Fund as provided in the Contract, which investments may be in obligations other than those of the depository bank or trust company only.
12. The operation, maintenance and administration of the System shall be under the jurisdiction and control of the St. Clair River Sewer and Water Authority and the acquisition and construction of the Project shall be under the overall jurisdiction and control of the Board of Public Works, as agent of the County, and the provisions in the

Contract relative to such operation, maintenance and administration are hereby recognized, approved and confirmed.

13. The Bonds which are sold to the Authority shall be in substantially the following form, with such revisions as the Chairman of the Board of Commissioners and the County Clerk and the Director of the Board of Public Works, or any of them, may determine to be necessary or desirable, permitted by law, and not materially adverse to the County. The maturity schedule reflected on Schedule A shall be deemed to be the maximum principal amount which may mature per year. The maturity schedule for either series of bonds may be adjusted by the Director of the Board of Public Works, upon the advice and direction of the County's financial advisor and bond counsel, provided the Authority consents to such modification for the series of bonds which shall be sold to the Authority

[FORM OF BOND]

United States of America
State of Michigan
COUNTY OF ST. CLAIR
ST. CLAIR COUNTY WATER SUPPLY SYSTEM NO. III-1999 SERIES
(CHARTER TOWNSHIPS OF CHINA AND EAST CHINA)
GENERAL OBLIGATION WATER PLANT IMPROVEMENT BONDS

REGISTERED OWNER: Michigan Municipal Bond Authority

PRINCIPAL AMOUNT: _____ Thousand Dollars
(\$ _____)

DATE OF ORIGINAL ISSUE: September 30, 1999

The County of St. Clair, State of Michigan (the "Issuer"), for value received, hereby promises to pay to the Michigan Municipal Bond Authority (the "Authority") the sum of _____ (\$ _____) Dollars or such portion thereof as shall have been advanced to the Issuer (the "Principal Amount") pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority, the Charter Townships of China and East China and the State of Michigan acting through the Department of Environmental Quality.

The Principal Amount shall payable on the dates and in the annual principal installment amounts set forth in Schedule A attached hereto and made a part hereof, as such Schedule may be adjusted if less than \$ _____ is disbursed to the Issuer or if a portion of the Principal Amount is prepaid as provided below, with interest on said principal installments from the date each said installment is delivered to the holder hereof until paid at the rate of two and one-half percent (2.50%) per annum. Interest is first payable on April 1, 2000 and semiannually thereafter on the first day of April and October of each year.

During the time the Principal Amount is being drawn down by the Issuer under this Bond, the Authority will periodically provide to the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding Principal Amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

Notwithstanding any other provision of this Bond, as long as the Authority is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at the corporate trust office of _____, _____, Michigan, or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds at least five business days prior to the date on which any such payment is

due whether by maturity, redemption or otherwise; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

In the event of a default in the payment of principal of interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

This Bond is payable primarily from the proceeds of contractual payments to be paid by the Charter Townships of China and East China, both located in the County of St. Clair, Michigan, to the Board of Public Works, acting for and on behalf of the Issuer, pursuant to a certain contract dated March 23, 1999 (the "Contract"), between the Issuer and the Local Units, whereby said Board of Public Works, on behalf of the Issuer, is to construct water plant improvements and expansions, all of which is part of the St. Clair Water Supply System No. III -1999 Series (Charter Townships of China and East China). By the provisions of said Contract and pursuant to the authorization provided by law, the Local Units have each pledged their unlimited tax full faith and credit for the payment of their contractual obligations pursuant to the authorization by the registered electors of each of the Local Units voting at a special election on August 4, 1998. The Issuer has irrevocably pledged to the payment of this issue of bonds the total contractual payments, which said total payments are established in the amount required to pay the principal of and interest on the bonds of this issue when due. As additional security for the payment of the bonds of this issue, the Issuer, pursuant to the provisions of Act 185, Public Acts of Michigan, 1957, as amended, and at least a three-fifths (3/5) vote of the members-elect of its Board of Commissioners, has pledged its limited tax full faith and credit for the prompt payment of the principal of and interest thereon. The full faith and credit pledges of the Local Units are unlimited tax general obligations of each severally, and each is required to pay its respective debt service commitments on the bonds as an unlimited tax first budget obligation from its general funds, including the collection of any ad valorem taxes without limitation as to rate or amount which each is authorized to levy. The obligation of the Issuer hereunder is a limited tax obligation and the ability of the Issuer to levy such taxes is subject to applicable statutory and constitutional limitations.

This Bond is a single, fully registered, nonconvertible bond issued in the principal sum indicated above, pursuant to a resolution duly adopted by the Board of Commissioners of the Issuer on April 14, 1999, and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 185, Public Acts of Michigan, 1957, as amended. For a complete statement of the funds from which and the conditions under which this bond is payable, and the general covenants

and provisions pursuant to which this bond is issued, reference is made to the above described resolution.

Principal installments of this Bond are subject to prepayment prior to maturity only with the prior written consent of the Authority and on such terms as may be required by the Authority.

This Bond shall be registered as to principal and interest on the books of the Issuer kept by the Board of Public Works and may be transferred only upon surrender of this Bond by the registered owner of record in person, or by registered owner's attorney duly authorized in writing, to the Board of Public Works together with a written instrument of transfer satisfactory to the Board of Public Works duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this Bond, and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law precedent to and in the issuance of this bond, and the series of which this is one, have been done and performed in regular and due time and form as required by law.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

IN WITNESS WHEREOF, the County of St. Clair, State of Michigan, by its Board of Commissioners, has caused this bond to be signed in the name of said County by the [manual/facsimile] signature of the Chairman of the Board of Commissioners and to be countersigned by the [manual/facsimile] signature of the County Clerk and a facsimile of the corporate seal of said County to be printed hereon, all as of the Date of Original Issue.

COUNTY OF ST. CLAIR

By _____
Chairman, Board of Commissioners

[SEAL]

County Clerk

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Resolution 99-14

**RESOLUTION TO OPPOSE THE TRANSPORT, TESTING OR USE OF
MOX (WARHEAD PLUTONIUM MIXED WITH URANIUM OXIDE) IN
THE GREAT LAKES BASIN**

Whereas: the U.S. Department of Energy (DOE) has developed a plan to “dispose” of a large portion of the Soviet and U.S. stockpile of fissile material (weapons-grade plutonium and highly enriched uranium)- and in particular by producing MOX which is weapons grade plutonium mixed with uranium oxide; and

Whereas: the DOE, along with Russia, plans to transport, and test MOX at Chalk River, Canada, with the eventual plan to transport much larger amounts for many years for use in CANDU reactors, including the Bruce reactors on Lake Huron; and

Whereas: Among the concerns raised by this plan are the following:

- The Great Lakes Basin contains one-fifth of the World’s fresh water, and ninety-five percent of the United States’ fresh water, and provides drinking water to 40 million residents, as well as providing a safe place to live, work and recreate, and providing a home to diverse and unique wildlife and plants,
- Plutonium is extremely carcinogenic and has a ½ life of 24,000 years-The unplanned release of plutonium as a result of a traffic or shipping accident or terrorist attack could have catastrophic consequences to the Great Lakes Basin, and
- If this program is successfully implemented, it would mean up to two decades of plutonium shipments to Canadian reactors, by the U.S. and Russia. The attendant threats to civil liberties needs to be examined as these shipments would be subject to tight security arrangements, and
- The cost of this program to taxpayers and electricity ratepayers has not been fully calculated but could include the cost of upgrading aging reactors, increased security measures, potentially expensive fuel, and the cost of dealing with the spent plutonium fuel and there is no generally accepted solution to the problem of how to dispose of nuclear waste, which would be generated anew by this project, and
- Any movement of plutonium makes it more accessible to theft and increases the risk to global security, and

Whereas: Due to public outcry in the summer of 1998, the St. Clair Board of Commissioners spoke out against the use of the Blue Water Bridge for one of the proposed MOX test routes – and with David Bonior, Spencer Abraham and Carl Levin, all Congressmen from Michigan, Gov. Engler, the Port Huron City Council, several townships in St. Clair County, and several Canadian communitites

including Sarnia, were able to successfully eliminate the Blue Water Bridge from the proposed MOX routes,

Now Therefore Be It Resolved That:

The St. Clair County Commission opposes any and all tests in the Great Lakes Basin of Russian and U.S. warhead plutonium converted to MOX that are planned by the DOE. Furthermore, we are opposed to the use of warhead plutonium converted to MOX in U.S. or Canadian reactors.

Be It Further Resolved That:

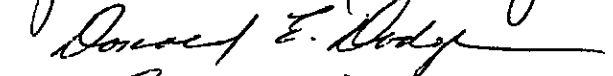
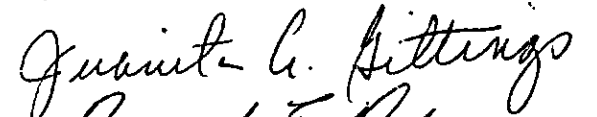
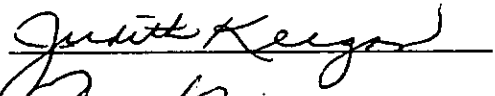
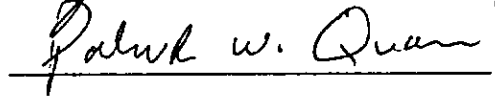
A certified copy of this Resolution be forwarded to the Representative David Bonior, Senator Spencer Abraham, Senator Carl Levin, Governor John Engler, State Senator Dan DeGrow, State Representative Lauren Hager, and State Representative Jud Gilbert.

Dated April 14, 1999

Reviewed and Approved As To Form By:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060



RESOLUTION 99-18

**RELATIVE TO SALE BY THE SHERIFF
OF UNCLAIMED STOLEN PROPERTY**

WHEREAS, the Sheriff of St. Clair County has in his possession the recovered stolen property described in Exhibit "A" attached hereto, and said property has remained for more than six (6) months since its recovery; and

WHEREAS, Act No. 54 of the Public Acts of 1959 requires the Sheriff to request authority from the Board of Commissioners to dispose of the unclaimed recovered stolen property at a public sale to be held by Sheriff upon five (5) days notice thereof, having been published in a newspaper of general circulation in the County and to deposit the proceeds of the sale, less expenses, with the County Treasurer to the credit of the general fund.

NOW, THEREFORE, BE IT RESOLVED:

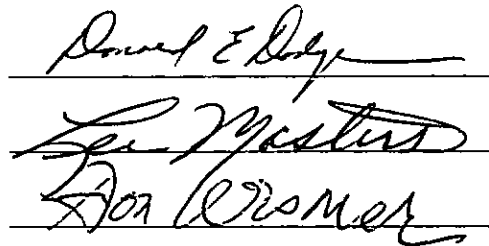
1. That Dan Lane, Sheriff of St. Clair County, Michigan, may be and he is hereby authorized and directed to conduct a public sale for the purpose of selling the unclaimed stolen property described in Exhibit "A", attached hereto and made part hereof by reference.
2. That the said Sheriff is hereby directed to publish a notice of said sale in a newspaper of general circulation in the County of St. Clair at least five (5) days before said sale, and that said notice shall describe the property described in Exhibit "A" and shall state the time and place of such sale at which the property may be purchased by the highest bidder; and
3. That the Sheriff shall conduct such public sale and shall deposit the proceeds of the sale, after deducting the cost of the sale, together with any other money included in the notice, with the County Treasurer to the credit of the County general fund.

DATED: May 12, 1999

Reviewed and Approved As To Form By:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060



RESOLUTION 99-19

**APPROVING FORM OF PAYMENT "E"
LIFE PAYMENTS WITH TEN YEAR CERTAIN
FOR THE ST. CLAIR COUNTY RETIREMENT SYSTEM**

WHEREAS, the St. Clair County Retirement Board has reviewed and recommended that the St. Clair County Board of Commissioners adopt Form E-Life Payments with Ten Year Certain as an addition to Article VII Form of Payment in the Retirement System Handbook; and

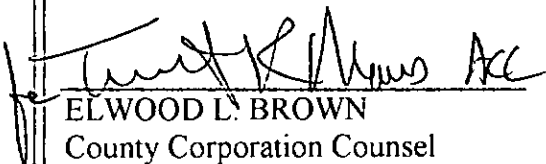
WHEREAS, the following language is proposed to be included in the Handbook: "The retired member is paid a reduced pension for life under form of payment E. Upon the death of a retired member, during the lifetime of the named survivor beneficiary, the named survivor beneficiary shall be paid a commuted lump sum balance of the 120 monthly pension payments. No continuing pension, fringe, or medical insurance benefits will be provided to the surviving beneficiary. If the named survivor beneficiary pre-deceased the retired member the estate of the retired member shall be paid the commuted lump-sum balance of the 120 monthly pension payments, if the retired member had received fewer than 120 monthly pension payments;" and


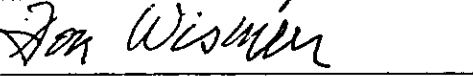

WHEREAS, the St. Clair County Board of Commissioners concurs with the Retirement Board's decision to offer this alternative form of payment within the pension system.

NOW, THEREFORE, BE IT RESOLVED, that the St. Clair County Board of Commissioners hereby adopts Form of Payment E-Life Payments with Ten Year Certain, as an addition to Article VII, Form of Payment of a Pension in the St. Clair County Retirement System Handbook.

DATED: May 26, 1999

Reviewed and Approved as To Form By:


ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

RESOLUTION 99-20

PROCLAIMING JUNE 5, 1999 AS
RIVER DAY IN ST. CLAIR COUNTY

WHEREAS, the first Saturday in June is the date for the 1st Annual River Day; and

WHEREAS, several watershed councils have agreed to work together to encourage participation in activities that will enhance the understanding and appreciation of the importance of the river; and

WHEREAS, the St. Clair River is an important navigational channel for the Great Lakes Seaway system; and

WHEREAS, as trading partners, the U.S. and Canada exchange goods worth over \$1 billion dollars a day, more than any other trading partners in the world; and

WHEREAS, the St. Clair River is the source of water and transportation for chemical industries, refineries, pulp and paper, and thermal electrical power plants; and

WHEREAS, the St. Clair River is a source of drinking water for Native, non Native and First Nations people; and

WHEREAS, the St. Clair River is a source of tourism, recreation, hunting and fishing; and

WHEREAS, the St. Clair River is 40 miles long with 119 miles of shoreline and varies in width from 820 feet to 3,940 feet.


WHEREAS, in addition to 91 species of fish, there are 20 species of amphibians, 25 species of reptiles, 250 species of birds and 60 species of mammals.

WHEREAS, the St. Clair River, as it flows south from Lake Huron and prior to entering Lake St. Clair, divides into several channels creating an extensive delta known as the St. Clair River Delta or St. Clair Flats, which comprise one of the most important wetland areas in the Great Lakes region.

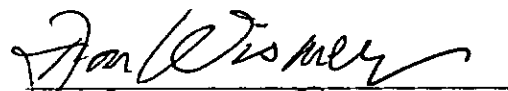
NOW, THEREFORE BE IT RESOLVED, that the County of St. Clair joins with other local governmental units in proclaiming the first Saturday of June as **RIVER DAY IN ST. CLAIR COUNTY**.

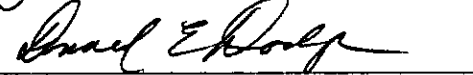
DATED: May 26, 1999

Reviewed and Approved as To Form By:


ELWOOD L. BROWN

County Corporation Counsel
301 County Building
Port Huron, MI 48060







RESOLUTION 99-21

REGARDING THE FY 2000 CMH APPROPRIATION

WHEREAS, the Executive Budget Recommendation falls short of funding the Community Mental Health System by \$54.3 million in State funds and \$92.9 million in gross; and

WHEREAS, the deficits will make it unfeasible for Community Mental Health Service Programs to fulfill their local responsibilities for Medicaid recipients and will result in a decline and a shift of General Dollars which will erode the public safety net for non-Medicaid persons; and

WHEREAS, the budget recommendation continues a base under-funding for managed care, does not consider the increase in eligibles and changes in cost related to housing and support services; and

WHEREAS, the budget fails to include General Funds to support the legislatively approved wage pass-through; and

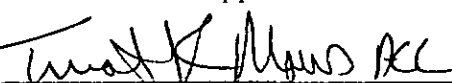
WHEREAS, the budget fails to meet Department of Community Health commitments to consumers, families, Counties, Community Mental Health Service Providers and the Federal government for a planned transition to competitive bidding:

NOW, THEREFORE, BE IT RESOLVED, that the St. Clair County Board of Commissioners strongly supports the following:

- A \$14.8 million General Fund increase which will result in a \$33 million gross Increase from the Federal government with regard to the Upper Payment limit,
- An additional \$10.5 million General Funds for direct care wage pass-through,
- A 1.5% increase for trends in eligibles
- A return to the Community Mental Health Service Programs' base of \$6.7 Million General funds and \$15 million gross for the inpatient base removed in 1998,
- A \$12.4 million General fund increase for indigent care related to the Consumer Price Index for long-term care needs,
- A carefully planned transition to competitive bidding which involves actuarial Studies, consumer input and which puts local Community Mental Health Service Programs on a level playing field.

DATED: May 26, 1999

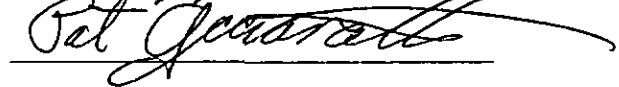
Reviewed and Approved As to Form By:


ELWOOD L. BROWN

County Corporation Counsel
301 County Building
Port Huron, MI 48060







RESOLUTION 99-22

REGARDING THE USE OF TOBACCO SETTLEMENT FUNDS

WHEREAS, the purpose of the tobacco lawsuit was to recover damages related to smoking; and

WHEREAS, the State was awarded tobacco settlement funds in the amount of \$8.2 billion over a twenty-five year period, with an average annual payment of \$320 million per year; and

WHEREAS, tobacco is the most preventable cause of death and disease in the State; and

WHEREAS, tobacco causes one out of every five deaths in Michigan and is the leading cause of heart attacks, cancer, etc.; and

WHEREAS, each year tobacco costs the State of Michigan \$2.58 billion in excess health care costs; and

WHEREAS, an additional \$1.6 billion is spent on tobacco-related labor costs, lost productivity, absenteeism, cigarette-related fires, and tobacco-related maintenance and cleaning costs; and

WHEREAS, total Medicaid costs related to tobacco are over \$530 million per year; and

WHEREAS, 38 percent of all Michigan high school students smoke, and 15 percent of all Michigan male high school students use smokeless tobacco; and

WHEREAS, 52,000 Michigan children under 18 become new daily smokers each year; and if the trend continues, 230,000 Michigan kids alive today will die from smoking; and


WHEREAS, studies have shown that programs implemented to prevent and reduce tobacco use have proven successful.


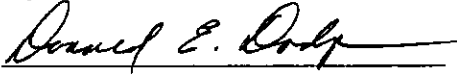

NOW, THEREFORE, BE IT RESOLVED that the St. Clair County Board of Commissioners does hereby encourage the Governor and the Michigan legislature to allocate \$100,000 million of tobacco settlement funds on an annual basis over the next 25 years to programs aimed at improving the health status of Michigan communities, with particular emphasis on tobacco prevention and reduction.

BE IT FURTHER RESOLVED, that a copy of this Resolution be sent to Governor Engler, Area Legislators, the Michigan Association of Counties, and all County Boards of Commissioners throughout Michigan asking them to take similar action.

DATED: May 26, 1999

Reviewed and Approved as To Form By:


ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

RESOLUTION 99-23

**CONFIRMING ROAD COMMISSION CONTRACT WITH
CERTIFIED PUBLIC ACCOUNTANTS**

WHEREAS, under date of June 1, 1999, as a requirement of the State of Michigan Public Act 199, 1975, the St. Clair County Road Commission resolved to contract with the certified public accounting firm of Stewart, Beauvais & Whipple, for the purpose of auditing the books of the St. Clair County Road Commission, and the St. Clair County Department of Public Works, for the year ending December 31, 1999, at a total cost of \$12,000, copies of said resolution and contract be attached hereto and made a part hereof by reference – EXHBIIT "A"; and

WHEREAS, by Resolution No. 99-25 dated June 1, 1999, the Board of County Road Commissioners recommended this Contract to the St. Clair County Board of Commissioners for their confirmation.

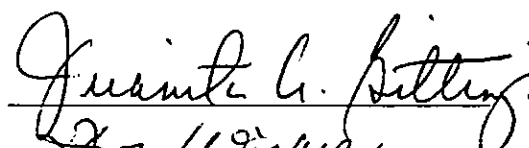
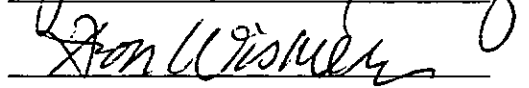

NOW. THEREFORE, BE IT RESOLVED, that the Resolution of the St. Clair County Road Commission adopted June 1, 1999, authorizing the contract for the Audit of the Road Commission by the firm of Stewart, Beauvais and Whipple, may be and the same is hereby affirmed, and the Road Commission is requested to have the firm of Stewart, Beauvais and Whipple transmit a copy of the said audit to this Board, to the County Treasurer and to the State Treasurer as required by law, with the cost of such audit being paid by the funds of the Road Commission and D.P.W.

DATED: June 23, 1999

Reviewed and Approved as to Form by:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

RESOLUTION 99-24

**REQUESTING MICHIGAN DEPARTMENT OF NATURAL RESOURCES
TO IMMEDIATELY TIE INTO THE EXISTING SEWER SYSTEM AT CLAY
TOWNSHIP NORTH CHANNEL LAUNCH SITE**

WHEREAS, the St. Clair County Board of Commissioners has the authority to regulate Health and Safety protection for its citizens; and

WHEREAS, in 1997, the Michigan Department of Natural Resources constructed the Clay Township North Channel Boat Launch just west of the City of Algonac off M-29; and

WHEREAS, as early as November 19, 1991, the MDNR was issued objections by Clay Township regarding the proposed site, and urged the State to fully explore an alternate site which will operate in harmony with the local community; and

WHEREAS, the MDNR constructed on the site vault toilet facilities which is in direct conflict with Clay Township Ordinance No. 52, Article II, Section 25.121, adopted June 23, 1976, which reads "It shall be unlawful for any person to place, deposit, or permit to be deposited in an unsanitary manner upon public or private property within the Township or in any area under the jurisdiction of said Township any human or animal excretion, garbage or other objectionable waste where sanitary sewers are available"; and


WHEREAS, the MDNR is also in conflict with Ordinance No. 52, Article II, Section 25.124 effective June 23, 1976 "the owner of all houses, building or properties used for human occupancy, employment, recreation or other purposes, situated within the Township and abutting on any Road or right of way in which there is located a public sanitary sewer is hereby required at his expense to install suitable toilet facilities therein, and to connect such facilities directly with the public sanitary sewer in accordance with the provisions of this Ordinance"; and

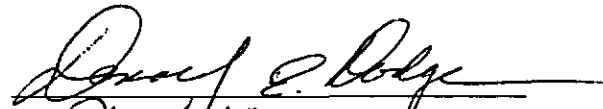
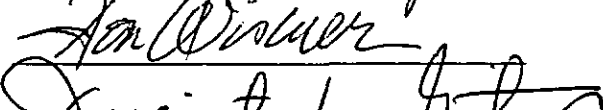
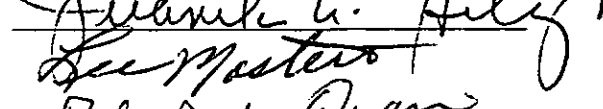
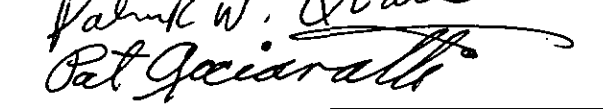
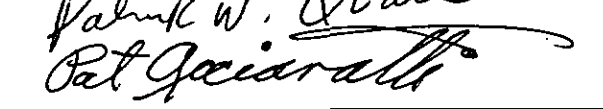
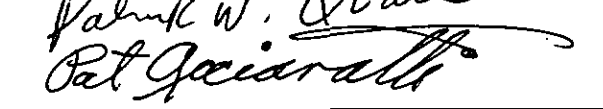
WHEREAS, the Director and Health Officer of the St. Clair County Health Department strongly recommended the MDNR on May 28, 1998, "to connect to the Municipal sewer and water service as soon as possible due to the numerous complaints from surrounding neighbors regarding the vault toilets presently serving the site".

THEREFORE, BE IT RESOLVED THAT the St. Clair County Board of Commissioners join the objections of Clay Township and the residents of the adjoining Silver Shores subdivision in requesting immediate action by the Michigan Department of Natural Resources to comply with local ordinance and tie their toilet facilities at the Clay Township North Channel Launch Site into the existing sewer system, thus eliminating the site vault toilet facilities, with a copy of this resolution to be sent to Governor John Engler, State Senator Dan DeGrow and Representatives Jud Gilbert and Lauren Hager, Director of MDNR, Clay Township Board and St. Clair County Health Department.

DATED: July 28, 1999

Reviewed and Approved As to Form by:


ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

BOARD OF COUNTY ROAD COMMISSIONERS
OF THE COUNTY OF ST. CLAIR

PERFORMANCE OF AUDIT

WHEREAS, it has been the policy for the St. Clair County Road Commission to require an annual audit of its records by a Certified Public Accountant; and

WHEREAS, this audit is now a requirement of the State of Michigan with the passage of Public Act 199, 1975; and

WHEREAS, Stewart, Beauvais & Whipple are licensed Certified Public Accountants in the State of Michigan and have the experience and personnel necessary to perform this audit.

NOW, THEREFORE, BE IT RESOLVED, That the Board of County Road Commissioners of the County of St. Clair enter into a contract with Stewart, Beauvais & Whipple, Certified Public Accountants, to perform an annual audit for the fiscal year ending December 31, 1999, and the Secretary be authorized to sign the contract; and

BE IT FURTHER RESOLVED, That the Board of County Road Commissioners of the County of St. Clair recommend this contract to the St. Clair County Board of Commissioners for their confirmation.

AYES: Commissioner Hool
Commissioner Blumerich

NAYS: 0

ABSENT: Commissioner LaLonde

* * * * *

I hereby certify that the foregoing is a true and correct copy of a portion of the minutes of a regular meeting of the Board of County Road Commissioners of the County of St. Clair held on Tuesday, June 1, 1999 at 7:09 p.m. in the St. Clair County Road Commission's Central Service Center, 21 Airport Drive, St. Clair, Michigan.


Janet C. Kitamura, Secretary

ST. CLAIR COUNTY, MICHIGAN

AUDIT CONTRACT

Stewart, Beauvais & Whipple, P.C., Certified Public Accountants, registered to practice in the State of Michigan, (hereinafter referred to as Certified Public Accountant), and the Board of County Road Commissioners and the Board of Public Works of the County of St. Clair, State of Michigan, contract on this _____ day of _____, 1999 as follows:

1. For the year ending December 31, 1999, the Certified Public Accountant shall conduct an examination of the financial records, accounts and procedures of the following funds and operations of the:

St. Clair County Road Commission
St. Clair County Department of Public Works

2. The Certified Public Accountant's examination shall meet the requirements of Act 199, P.A. 1975: Act. 621, P.A., 1978; the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards (1988), the provisions of the Single Audit Act of 1984 and the provisions of U.S. Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments.

3. The Certified Public Accountant's examination shall also be made in accordance with generally accepted auditing standards for the purpose of expressing an appropriate opinion on his examination of the financial statements.

4. The audit will be completed no later than ninety (90) days after the close of the Road Commission's fiscal year and the audit reports and management letter (report on internal accounting controls) will be submitted no later than one-hundred and twenty (120) days after the close of the Road Commission's fiscal year.

5. The Road Commission's accounting department shall have completed and balanced all accounts and have prepared trial balances and schedules of all funds and operations to be examined by the Certified Public Accountant and shall provide the Certified Public Accountant with space deemed adequate by the Certified Public Accountant for the efficient conduct of the examination. The Road Commission's accounting department shall provide the Certified Public Accountant, for his use and retention, with copies of these trial balances for the various funds and operations in a form acceptable to the Certified Public Accountant.

6. The Commissioners agree that the working papers of the Certified Public Accountant will be made available to the authorized representative of the State Treasurer upon formal request by the State Treasurer or his Deputy.

7. The Certified Public Accountant is authorized to immediately disclose any and all findings of suspected fraud and/or embezzlement to the Deputy State Treasurer in charge of the Local Audit Division of the State Department of Treasury although the ordinary examination is not specifically designed to detect fraud or other defalcations.

8. The Certified Public Accountant shall be paid his normal hourly rates in effect at the time of the audit, based on the hours actually worked on the audit, plus out-of-pocket expenses. For the year ending December 31, 1999 the price will not exceed:

	Road	DPW	Total
1999 -	\$5,950	\$6,050	\$12,000

9. It is understood and agreed that the provisions in the "Request for Proposal for an Annual Audit for 1994, 1995 & 1996" prepared by the Road Commission shall apply for the audits for 1999.

Signed: _____
Stewart, Beauvais & Whipple, P.C.

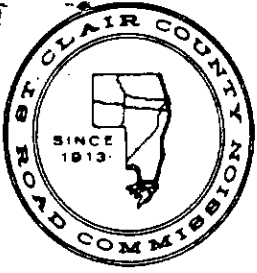
Signed: _____
St. Clair County Road Commission

Signed: _____
St. Clair County Board of Public Works

Confirmed: St. Clair County Board of Commissioners

Date: _____

By: _____ see attached resolution



COUNTY OF ST. CLAIR

ROAD COMMISSION • PUBLIC WORKS

21 Airport Drive • St. Clair, Michigan 48079-1404

Phone: (810) 364-5720

Fax: (810) 364-9050

June 16, 1999

Troy Feltman
County Administrator
200 Grand River
Port Huron, MI 48060

Dear Mr. Feltman:

Enclosed is a copy of St. Clair County Road Commission Resolution No. 99-25 and the Audit Contract for performance of our certified audits for the year ending December 31, 1999. Confirmation, by resolution of the County Board of Commissioners, is required. A sample resolution is enclosed for your convenience in preparing the County resolution.

It is requested that this item be placed on the next County Board of Commissioners' agenda.

If you have any questions, please do not hesitate to call me.

Very truly yours,

BOARD OF COUNTY ROAD COMMISSIONERS
OF THE COUNTY OF ST. CLAIR

Janet C. Kitamura, Secretary

gf

Enclosures

(B) For a retiree who was not an elected or appointed county official at retirement, is elected or appointed as a county official for a term of office that begins after the retiree's retirement allowance effective date.

(C) For a retiree who was an elected or appointed county official at retirement, is elected or appointed as a county official to a different office from which the retiree retired for a term of office that begins after the retiree's retirement allowance effective date.

(D) For a retiree who was an elected or appointed county official at retirement, is elected or appointed as a county official to the same office from which the retiree retired for a term of office that begins not less than 2 years after the retiree's retirement allowance effective date.

(ii) The retiree is not eligible for any benefits from the county other than those required by law or otherwise provided to the retiree by virtue of his or her being a retiree.

(iii) The retiree is not a member of the plan during the period of re-employment, does not receive additional retirement credits during the period of re-employment, and does not receive any increase in pension or retirement benefits because of the employment under this subdivision.

(c) Payment of the pension or retirement benefit to the retiree shall continue without change in amount or conditions by reason of the employment if the retiree becomes employed by a county other than the county from which the retiree retired. For the purposes of membership and potential benefit entitlement under the plan of the other county, the retiree shall be considered in the same manner as an individual with no previous record of employment by that county.

ARTICLE VII

Form of Payment of a Pension.

Section 7.1. A member may elect to have pension payments made under any one of the following forms of payment and name a survivor beneficiary. The election and naming of survivor beneficiary must be made on a form furnished by and filed with the retirement system prior to the date the first pension payment is made. An election of form of payment may not be changed on or after the date the first pension payment is made. A named survivor beneficiary may not be changed on or after the date the first pension payment is made if form of payment A,B,C or D is elected. A named survivor beneficiary may be changed or may be more than one person only if form of payment SL is elected. A named survivor beneficiary must have an insurable interest in the life of the member or vested former member at the time of naming. Payment shall be made under form of payment SL if there is not a timely election of another form of payment. The amount of pension under forms of payment A,B,C and D shall have the same actuarial present value, computed as of the effective date of the pension, as the amount of pension under form of payment SL.

Form of Payment SL - Straight Life Pension. The retired member is paid a pension for life under form of payment SL. Upon the death of the retired member no continuing pension, fringe, or medical insurance benefits will be provided to the surviving beneficiary.

Form of Payment A-Life Payments With Full Continuation to Survivor Beneficiary. The retired member is paid a reduced pension for life under form of payment A. Upon the death of the retired member during the lifetime of the named survivor beneficiary, the named survivor beneficiary is paid the full amount of reduced pension until death.

Form of Payment B-Life Payments With One-Half Continuation to Survivor Beneficiary. The retired member is paid a reduced pension for life under form of payment B. Upon the death of the retired member during the lifetime of the named survivor beneficiary, the named survivor beneficiary is paid one-half the amount of reduced pension until death.

Form of Payment C - Life Payments With Full Continuation to Survivor Beneficiary With Pop-Up. The retired member is paid a reduced pension for life under form of payment C. Upon the death of the retired member during the lifetime of the named survivor beneficiary, the named survivor beneficiary is paid the full amount of reduced pension until death. Should the survivor beneficiary predecease the retired member, the retired member's pension shall be re-computed (pop-up) to a straight life pension (form of payment SL).

Form of Payment D - Life Payments With One-Half Continuation to Survivor Beneficiary With Pop-UP. The retired member is paid a reduced pension for life under form of payment D. Upon the death of the retired member during the lifetime of the named survivor beneficiary, the named survivor beneficiary is paid one-half the amount of reduced pension until death. Should the survivor beneficiary predecease the retired member, the retired member's pension shall be re-computed (pop-up) to a straight life pension (form of payment SL).

Form of Payment E – Life Payments with Ten Year Certain

The retired member is paid a reduced pension for life under form of payment E. Upon the death of the retired member, during the lifetime of the named survivor beneficiary, the named survivor beneficiary shall be paid a commuted lump sum balance of the 120 monthly pension payments. No continuing pension, fringe or medical insurance benefits will be provided to the surviving beneficiary. If the named survivor beneficiary pre-deceased the retired member the estate of the retired member shall be paid the commuted lump sum balance of the 120 monthly pension payments, if the retired member had received fewer than 120 monthly pension payments.

ARTICLE VIII

Disability Retirement; Conditions for.

Section 8.1. The Board of Trustees may retire a member who becomes incapacitated for continued employment by the county if each of the following conditions are met:

- (a) Application for disability retirement is filed with the retirement system by either the member or the county, while the member is in the employment of the county.
- (b) The member has ten or more years of credited service.
- (c) The member undergoes all medical examinations and tests ordered by the retirement system, and releases to the retirement system all medical reports and records requested by the retirement system.

ST. CLAIR COUNTY SHERIFF DEPARTMENT
PROPERTY TO BE AUCTIONED

<u>ITEM NO.</u>	<u>ITEM DESCRIPTION</u>	<u>ITEM TAG NO.</u>
1.	Mens Shirt	#1
2.	Mens Jacket	#2
3.	Mens Suit Coat (Blk)	#3
4.	Mens Suit Coat (Red)	#4
5.	Mens Suit Coat (Brown)	#5
6.	Mens Dress Topcoat	#6
7.	Mens Leather Coat	#7
8.	Denim Vest	#8
9.	Denim Shirt	#9
10.	White Long Sleeve Shirt	#10
11.	Mens Docker Pants	#11
12.	Baseball Bat	#12
13.	Baseball Bat	#13
14.	IBM Electric Typewriter	#14
15.	Canon Electric Typewriter	#15
16.	IBM Electric Typewriter	#16
17.	KEC 13" Color Monitor	#17
18.	Set (two) Pioneer speakers	#18
19.	CCM - Hockey Skates	#19
20.	Roller Blades	#20
21.	Hockey Shoulder Pads	#21
22.	Roller Blades	#22
23.	Ski Boots	#23
24.	Craftsman Socket Set	#24
25.	CD Case w/CDs	#25
26.	CD Case w/40 CDs	#26
27.	CD Case w/37 CDs	#27
28.	CD Case w/8 CDs	#28
29.	CD Case w/10 CDs	#29
30.	CD Case w/7 CDs	#30
31.	CD Case w/48 CDs - C & W	#31
32.	Cell Phone	#32
33.	Portable Car Disc Player	#33-D

ST. CLAIR COUNTY SHERIFF DEPARTMENT
PROPERTY TO BE AUCTIONED

<u>ITEM NO.</u>	<u>ITEM DESCRIPTION</u>	<u>ITEM TAG NO.</u>
34.	Uniden Radar Detector	#34-D
35.	Car CD Player	#35-D
36.	Pioneer Car Cassette Player	#36-D
37.	Uniden Radar Detector	#37-D
38.	CD Case	#38
39.	Whistler Radar Detector	#39
40.	Cell Phone	#40
41.	Cell Phone - Pioneer	#41
42.	BEL Radar Detector	#42
43.	Wilson Golf Clubs	#43
44.	Fishing Rod and Reels	#44
45.	Baseball Bat	#45
46.	IBM Electric Typewriter	#46
47.	RCA VCR	#47
48.	Car Stereo Amp	#48
49.	Kenwood CD Player	#49
50.	Kenwood CD Player	#50
51.	Cobra - CB Radio	#51
52.	Kenwood Equalizer	#52
53.	Stereo Amp	#53
54.	Portable Air Compressor	#54
55.	Tool Box	#55
56.	Stihl Chain Saw	#56
57.	Monitor & CPU & Keyboard	#57
58.	Gym Bag	#58
59.	Cassette Case and Tapes	#59
60.	Waterford Crystal Figurine	#60
61.	3 Silver Serving Trays	#61
62.	Sewing Machine	#62
63.	Desk Light	#63
64.	Pyramid Cassette Player	#64
65.	CD Changer	#65
66.	Alarm Clock	#66
67.	Jewelry Box	#67

ST. CLAIR COUNTY SHERIFF DEPARTMENT
PROPERTY TO BE AUCTIONED

<u>ITEM NO.</u>	<u>ITEM DESCRIPTION</u>	<u>ITEM TAG NO.</u>
68.	Rifle Scope - #5	#68
69.	Electronic Organizer	#69
70.	Gold Watch	#70
71.	Bracelet	#71
72.	Flashlight	#72
73.	Gym Bag	#73
74.	Cassette Player - Headphone	#74
75.	Dog Leash	#75
76.	Radar Detector	#76
77.	Bag of Ladies Clothing	#77
78.	CD Case	#78
79.	Flashlight	#79
80.	Portable CD Case/Sony Discman	#80
81.	Brush Ax	#81
82.	Large Knife	#82
83.	Power Grinder	#83
84.	Torch Gage	#84
85.	Answer Machine	#85
86.	Clock Radio	#86
87.	Kenwood Car Cassette Player	#87
88.	Cassette Player	#88
89.	Computer Printer	#89
90.	Polaroid Camera	#90
91.	Mens Coat	#91
92.	Mens Coat	#92
93.	Gym Bag	#93
94.	Hard Hat	#94
95.	Bag Phone	#95
96.	Marine Radio	#96
97.	Cassette Player	#97
98.	Cassette Player	#98
99.	Divers Knife	#99

ST. CLAIR COUNTY SHERIFF DEPARTMENT
PROPERTY TO BE AUCTIONED

<u>ITEM NO.</u>	<u>ITEM DESCRIPTION</u>	<u>ITEM TAG NO.</u>
100.	CD Player	#100
101.	Window Curtains	#101
102.	Bag Phone	#102
103.	Bag of 7 Speakers	#103
104.	Compound Bow	#104
105.	Bundle of Arrows	#105
106.	Tri-Pod	#106
107.	CB Radio	#107
108.	CD Player	#108
109.	2 Car Speakers	#109
110.	Auto Cassette Player	#110
111.	Radar Detector	#111
112.	IBM Electric Typewriter	#112
113.	19' TV	#113
114.	Golf Club Set - Wilson	#114
115.	CD Auto Player	#115
116.	Electronic Organizer	#116
117.	Coin Roller	#117
118.	CD Player	#118
119.	Box of 80 CD's	#119
120.	Binoculars	#120
121.	Monitor/Keyboard/CPU	#121
122.	Time Clock	#122
123.	IBM Printer	#123
124.	Intercom	#124
125.	Computer Printer	#125
126.	Office Chair	#126
127.	Office Chair	#127
128.	Bicycle - Roadmaster	#128
129.	Bicycle - Magnum	#129
130.	Bicycle - Miyata	#130
131.	Radio - Cassette Player	#131
132.	CD Player	#132

ST. CLAIR COUNTY SHERIFF DEPARTMENT
PROPERTY TO BE AUCTIONED

<u>ITEM NO.</u>	<u>ITEM DESCRIPTION</u>	<u>ITEM TAG NO.</u>
133.	Tennis Shoes	#133
134.	Tennis Shoes	#134
135.	Men's Winter Coat	#135
136.	Sony Walkman	#136
137.	Men's Sport Coat	#137
138.	Tester	#138
139.	Wood Necklace	#139
140.	Power Converter	#140
141.	Hand Tools	#141

RESOLUTION 99-60

ADOPTING 2000 SPECIAL REVENUE, DEBT SERVICE AND OTHER SPECIFIC FUNDS BUDGETS AND AMENDING THE 1999 GENERAL FUND, SPECIAL REVENUE AND DEBT SERVICE FUNDS BUDGETS

WHEREAS, under the provisions of the Uniform Budgeting and Accounting Act 621 of 1978 for local units of government in Michigan, all budgets for Special Revenue and Debt Service Funds must be adopted by the Legislative Body; and

WHEREAS, the County Administrator/Controller hereby submits and recommends the adoption of Special Revenue Fund and Debt Service Fund 2000 Budgets – Attached Exhibit "A" -- in accordance with the Uniform Budgeting and Accounting Act, P.A. 621 of 1978; and

WHEREAS, the County Administrator/Controller also submits and recommends the adoption of certain other Specific Fund 2000 budget – Attached Exhibit "B".


WHEREAS, also under P.A. 621 of 1978, amendments to governmental fund type budgets must be approved by the Legislative Body and in accordance with generally accepted accounting principles as applicable to governmental units, the budget revenues and expenditures should be compared to the actual revenues and expenditures in the financial statements at year-end; and

WHEREAS, in certain 1999 budgets revenues and expenditures, totals should be amended as recommended in Attached Exhibit "C".


NOW, THEREFORE, BE IT RESOLVED, that the above recommended 2000 Special Revenue, Debt Service and other Specific Funds Budget be adopted and 1999 General Fund, Special Revenue and Debt Service Funds be amended as recommended, in compliance with State of Michigan Public Act 621 of 1978, which amends P.A. 2 of 1968, entitled "The Uniform Budgeting and Accounting Act."


DATED: December 15, 1999

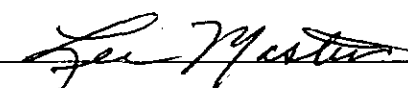
Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







**ST. CLAIR COUNTY
SPECIAL REVENUE FUNDS
2000 BUDGETS
EXHIBIT "A"**

	FRIEND OF COURT ACT 294	FRIEND OF COURT MEDICAL GRANT	FRIEND OF COURT PARENT PROGRAM	HEALTH DEPARTMENT	HAZARDOUS MATERIALS RESPONSE TEAM	FAMILY COUNSELING
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REVENUES

Taxes						
License & Permits				69,565		
Intergovernmental - Federal						
- State	347,351	68,336	10,000	4,857,479		
- Other	20,000			575,487	2,000	20,000
Charges for Services						
Fines & Forfeits	40,000					
Interest & Rents						
Other Revenues				71,775	4,000	
TOTAL REVENUES	407,351	68,336	10,000	5,574,306	6,000	20,000

EXPENDITURES

Judicial						
General Government						
Public Safety	432,239	68,336	10,000			10,000
Public Works						
Health & Welfare				8,224,112		
Recreation & Culture						
Capital Outlay	13,000			77,967	17,000	
TOTAL EXPENDITURES	445,239	68,336	10,000	8,302,079	45,000	10,000

OTHER FINANCING SOURCES/USES

Operating Transfers in -						
County Appropriation				2,402,392	39,000	
Other						
Operating Transfers Out	0	0	0	2,402,392	39,000	-25,000

Excess of Budgeted Revenues and Other Sources over (under) Budgeted Expenditures and Other Uses

Estimated Fund Balance at Start of Year

Estimated Fund Balance at End of Year

	-37,888	0	0	-325,381	0	-15,000
	893,484	215	0	2,561,191	18,765	92,705
	855,596	215	0	2,235,810	18,765	77,705

ST. CLAIR COUNTY
SPECIAL REVENUE FUNDS
2000 BUDGETS
EXHIBIT "A"

REVENUES

	COUNTY	PUBLIC	SENIOR	DRUG TASK	LIBRARY	PARKS AND	LIQUOR	
	PLANNING	IMPROVEMENT	MILLAGE	MILLAGE	MILLAGE	MILLAGE	TAX	
REVENUE								
Taxes			2,045,504	1,160,164	2,045,000	2,050,500		
License & Permits								
Intergovernmental - Federal								
- State	70,000		34,100	20,518	39,050	1,864,000	276,751	
- Other								
Charges for Services			6,000				10,000	
Fines & Forfeits					25,000			
Interest & Rents			17,000		25,000	68,000	49,000	
Other Revenues					100		3,500	
TOTAL REVENUES	70,000	74,000	0	2,096,604	1,230,782	2,152,050	3,977,000	276,751

EXPENDITURES

Judicial								
General Government	70,000		100,000					
Public Safety		574,938			1,072,682			
Public Works				2,332,836			276,751	
Health & Welfare						1,370,378	1,132,730	
Recreation & Culture					25,000	873,000	3,285,485	
Capital Outlay		10,000	1,500,000					
TOTAL EXPENDITURES	70,000	584,938	1,600,000	2,332,836	1,097,682	2,243,378	4,418,215	276,751

OTHER FINANCING SOURCES/USES

Operating Transfers in -								
County Appropriation		480,938	500,000				116,837	
Other		30,000						
Operating Transfers Out	0	510,938	500,000	0	-178,931	0	178,931	116,837

Excess of Budgeted Revenues and Other Sources over (under) Budgeted Expenditures and Other Uses	0	0	-1,100,000	-236,232	-45,831	-91,328	-324,378	0
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Estimated Fund Balance at Start of Year	0	23,591	1,415,595	556,259	571,114	1,519,649	1,238,364	192,827
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Estimated Fund Balance at End of Year	0	23,591	315,595	320,027	525,283	1,428,321	913,986	192,827
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**ST. CLAIR COUNTY
SPECIAL REVENUE FUNDS
2000 BUDGETS
EXHIBIT "A"**

REVENUES

	SECONDARY ROAD PATROL	LAW LIBRARY	COUNTY LIBRARY	CDBG HOUSING - 273	HUD - 275	HOUSING ASSISTANCE 279	SUMMER DRUG PREVENTION GRANT	COMMUNITY CORRECTIONS
Taxes								
License & Permits								
Intergovernmental - Federal								
- State	195,480		221,500	354,000	35,000		40,000	39,000
- Other			9,500					882,800
Charges for Services			500	57,000				
Fines & Forfeits			6,500	655,000				
Interest & Rents								
Other Revenues	3,000		6,100					
TOTAL REVENUES	198,480	7,000	949,100	354,000	35,000	0	40,000	921,800

EXPENDITURES

Judicial								
General Government								
Public Safety	169,111	16,500					40,000	950,800
Public Works								
Health & Welfare			1,574,201	364,000	35,000			
Recreation & Culture			462,935					
Capital Outlay	21,600							1,000
TOTAL EXPENDITURES	190,711	16,500	2,037,136	364,000	35,000	0	40,000	951,800

OTHER FINANCING SOURCES/USES

Operating Transfers in -								
County Appropriation		9,500	1,072,036	10,000	0	-2,994	0	30,000
Other						2,994		
Operating Transfers Out	0	9,500	1,072,036	10,000	0	-2,994	0	30,000

Excess of Budgeted Revenues and Other Sources over (under) Budgeted Expenditures and Other Uses	7,769	0	-16,000	0	0	-2,994	0	0
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Estimated Fund Balance at Start of Year	47,307	7,374	415,087	135,445	77,161	2,994	0	117,216
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Estimated Fund Balance at End of Year	55,076	7,374	399,087	135,445	77,161	0	0	117,216
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ST. CLAIR COUNTY
SPECIAL REVENUE FUNDS
2000 BUDGETS
EXHIBIT "A"

REVENUES

	LOCAL LAW ENFORCEMENT BLOCK GRANT	CRIMINAL JUSTICE TRAINING GRANT	MCBG JOBS TRAINING GRANT	BARR HOUSE	FAMILY INDEPENDENCE AGENCY	CHILD CARE	SOLDIERS RELIEF	VETERANS TRUST
Taxes								
License & Permits								
Intergovernmental - Federal								
- State	39,111	30,000	30,000	176,141	700,000	20,000		40,000
- Other					590,000	730,361		
Charges for Services				176,141		25,000		
Fines & Forfeits								
Interest & Rents								
Other Revenues	1,000				10,000	40,926		
TOTAL REVENUES	40,111	30,000	30,000	176,141	1,300,000	816,287	0	40,000

EXPENDITURES

Judicial								
General Government								
Public Safety	44,022	32,300	30,000					
Public Works								
Health & Welfare				176,141	1,888,750	3,307,214	1,750	40,000
Recreation & Culture								
Capital Outlay						20,321		
TOTAL EXPENDITURES	44,022	32,300	30,000	176,141	1,888,750	3,327,535	1,750	40,000

OTHER FINANCING SOURCES(USES)

Operating Transfers in -								
County Appropriation	3,911				588,750	2,511,244	1,750	
Other								
Operating Transfers Out	3,911							
TOTAL OTHER FINANCING SOURCES(USES)	3,911	0	0	0	588,750	2,511,244	1,750	0

Excess of Budgeted Revenues and Other Sources over (under) Budgeted Expenditures and Other Uses	0	-2,300	0	0	0	0	-4	0	0
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Estimated Fund Balance at Start of Year	375	8,741	0	0	798,789	845,204	7	4,032
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Estimated Fund Balance at End of Year	375	6,441	0	0	798,789	845,200	7	4,032
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ST. CLAIR COUNTY
DEBT SERVICE FUNDS
BUDGETS
2000

EXHIBIT A

REVENUES:	Building	1980	1996	Drain
	HVAC Renovation	Building Authority	Building Authority	
Interest	0	0	0	0
Miscellaneous	0	0	0	0
	0	0	0	0

EXPENDITURES	Debt Service - Principal			
- Interest	63000	0	200000	85000
- Fees	15309	0	615250	15000
	191	0	1000	0
	78500	0	816250	100000

OTHER FINANCING SOURCES	Operating Transfer In - Other			
	78500	0	812875	100000
Excess of budgeted revenues and other sources over (under) budgeted expenditures				
	0	0	-3375	0
Estimated Fund Balance at Beginning of Year				
	8516	0	7275	0
Estimated Fund Balance at End of Year				
	8516	0	3900	0

debtser4.xls

**ST. CLAIR COUNTY
SANITARY LANDFILL
2000 BUDGET
FUND 517-526**

EXHIBIT B

REVENUE

460 Landfill Permits	6,000	
607 Landfill Fees	5,040,481	
691 Miscellaneous	1,000	<u>5,047,481</u>

EXPENSES

703 Salaries and Wages, Supv.	42,500	
704 Salaries and Wages, Perm.	48,129	
705 Salaries and Wages, Temp.	15,000	
706 Salaries and Wages, Overtime	10,000	
709 Longevity	2,000	
714 Employers Medicare	1,706	
715 Employers Social Security	7,293	
716 Hospital Insurance	9,400	
717 Life Insurance	250	
718 Employers Retirement Contribution	13,342	
719 Dental Insurance	1,200	
721 Disability Insurance	10	
722 Unemployment Insurance	10	
723 Workers Compensation	<u>1,176</u>	152,016
727 Office Supplies		4,500
820 Water Sampling	59,700	
821 Engineering Services	42,000	
822 Landfill Operator	578,570	
823 Other Professional and Contractual	379,107	
824 Tipping Fees - Kimball Township	76,954	
850 Communications	4,869	
860 Travel - Mileage	1,560	
861 Travel - Other	312	
900 Printing and Binding	1,000	
920 Utilities	7,973	
953 Cost Allocation	46,850	
954 Refunds and Rebates	0	
955 Miscellaneous	<u>31,200</u>	1,230,095
974 Land Improvements	1,758,000	
980 Office Equipment	<u>4,000</u>	<u>1,762,000</u>
		<u><u>3,148,611</u></u>

**ST. CLAIR COUNTY
RADIO COMMUNICATIONS
2000 BUDGET
FUND 660-325**

EXHIBIT B

REVENUE

588 Contributions - Local Units	71,846	
626 Services	322,390	
643 Contracts	6,000	
650 911 Revenues	370,610	
691 Miscellaneous	1,800	
696 Transfer in Other - Debt	105,984	<u>878,630</u>

EXPENSES

703 Salaries and Wages, Supv.	27,000	
704 Salaries and Wages, Perm.	325,000	
705 Salaries and Wages, Temp.	7,000	
706 Salaries and Wages, Overtime	25,000	
709 Longevity	7,500	
714 Employers Medicare	5,677	
715 Employers Social Security	24,273	
716 Hospital Insurance	58,700	
717 Life Insurance	1,600	
718 Employers Retirement Contribution	49,985	
719 Dental Insurance	7,200	
721 Disability Insurance	38	
722 Unemployment Insurance	38	
723 Workers Compensation	3,915	<u>542,926</u>
727 Office Supplies	5,000	
728 Books and Bulletins	1,000	
741 Uniforms	6,000	<u>12,000</u>
801 Professional and Contractual	5,254	
850 Communications	60,000	
860 Travel - Mileage	1,000	
861 Travel - Other	1,700	
920 Utilities	7,000	
930 Repairs and Service	35,000	
953 Cost Allocation	36,625	
958 Education and Training	6,000	<u>152,579</u>
980 Office Equipment	3,000	
985 Radio Equipment	45,000	<u>48,000</u>
Debt Payment		<u>105,984</u>
		<u><u>861,489</u></u>

ST. CLAIR COUNTY
INFORMATION SERVICES
2000 BUDGET
FUND 636-258

EXHIBIT B

REVENUE

630 Computer Service Fees	8,400	
699 County Appropriation	595,063	<u>603,463</u>

EXPENSES

703 Salaries and Wages, Supv.	52,419	
704 Salaries and Wages, Perm.	122,166	
709 Longevity	3,900	
714 Employers Medicare	2,588	
715 Employers Social Security	11,066	
716 Hospital Insurance	15,800	
717 Life Insurance	500	
718 Employers Retirement Contribution	23,203	
719 Dental Insurance	2,400	
721 Disability Insurance	18	
722 Unemployment Insurance	18	
723 Workers Compensation	<u>1,785</u>	235,863
727 Office Supplies	11,000	
728 Books and Bulletins	<u>400</u>	11,400
801 Professional and Contractual	265,000	
850 Communications	7,000	
860 Travel - Mileage	1,200	
861 Travel - Other	2,000	
930 Repairs and Service	35,000	
958 Education and Training	<u>6,000</u>	316,200
980 Office Equipment		<u>40,000</u>
		<u><u>603,463</u></u>

ST. CLAIR COUNTY
AIRPORT
2000 BUDGET
FUND 581-294

EXHIBIT B

PAGE 1 OF 2

REVENUES

540.000 State Grant - General	1,286,917
607.000 Fees	10,000
607.009 Landing Fees	15,000
607.010 Tiedown Fees	6,000
644.001 Fuel Sales	25,000
644.002 Chart Sales	4,500
665.000 Interest	10,000
667.000 Rents	40,000
687.000 Refunds	250
691.000 Miscellaneous	2,000
699.000 County Appropriation	<u>239,550</u>
	<u>1,639,217</u>

ST. CLAIR COUNTY
AIRPORT
 2000 BUDGET
 FUND 581-294

EXHIBIT B

PAGE 2 OF 2

EXPENSES

703 Salaries and Wages, Supv.	35,967	
704 Salaries and Wages, Perm.	26,284	
705 Salaries and Wages, Temp.	25,000	
706 Salaries and Wages, Overtime	3,000	
714 Employers Medicare	1,308	
715 Employers Social Security	5,596	
716 Hospital Insurance	12,300	
717 Life Insurance	250	
718 Employers Retirement Contribution	8,482	
719 Dental Insurance	1,200	
721 Disability Insurance	6	
722 Unemployment Insurance	6	
723 Workers Compensation	<u>903</u>	120,302
727 Office Supplies	4,000	
728 Books and Bulletins	500	
731 Repair and Maintenance Supplies	3,000	
732 Operating Supplies	<u>8,000</u>	15,500
801 Professional and Contractual	10,000	
802 Subcontracts	5,000	
850 Communications	13,000	
860 Travel - Mileage	2,500	
861 Travel - Other	500	
880 Advertising	7,000	
900 Printing and Binding	2,500	
910 Insurance and Bonds	8,000	
920 Utilities	28,000	
930 Repairs and Service	8,000	
931 Building Repairs and Service	3,000	
953 Cost Allocation	15,085	
958 Education and Training	1,000	
964 Refunds	100	
965 Bank Charges	<u>100</u>	103,785
974 Land Improvements	1,354,650	
988 Other Equipment	<u>44,980</u>	<u>1,399,630</u>
		<u><u>1,639,217</u></u>

EXHIBIT C

RECOMMENDED GENERAL FUND
1999 BUDGET ADJUSTMENTS
SUMMARY

1999 Original Revenue Budget	\$ 40,859,152
Add: Net Revenue Adjustment	-207,880
1999 Adjusted Revenue Budget	<u>\$ 40,651,272</u>

1999 Original Expenditure Budget	\$ 40,859,152
Add: Net Expenditure Adjustments	-207,880
1999 Adjusted Expenditure Budget	<u>\$ 40,651,272</u>

EXHIBIT C

RECOMMENDED GENERAL FUND
1999 BUDGET ADJUSTMENTS

REVENUE BUDGET INCREASES

<u>Judicial</u>		
District Court	\$	50,000
<u>General Government</u>		
Elections		1,000
Clerk/Register		126,000
County Treasurer		28,900
<u>Public Safety</u>		
Sheriff		28,000
Marine Law Enforcement		58,000
Animal Shelter		7,500
Public Guardian		7,500
<u>Transfers In</u>		
Retirement Fund		<u>22,220</u>
	\$	<u>329,120</u>

REVENUE BUDGET DECREASES

<u>Judicial</u>		
Friend of Court	\$	298,000
Probate Court-Juvenile		50,000
<u>Public Safety</u>		
Jail		<u>189,000</u>
	\$	<u>537,000</u>

EXHIBIT C

RECOMMENDED GENERAL FUND
1999 BUDGET ADJUSTMENTS

EXPENDITURE BUDGET INCREASES

<u>Judicial</u>		
District Court	\$	92,000
Friend of Court		17,000
<u>General Government</u>		
Personnel		54,500
Motor Pool		27,500
<u>Public Safety</u>		
Marine Law Enforcement		77,500
Livestock Claims		500
Animal Shelter		14,500
<u>Appropriations</u>		
Child Care		31,590
Airport		168,000
Remonumentation (deficit elimination)		69
Office Automation		218,365
Radio Communications		166,562
Parks and Recreation Millage		74,672
Hazardous Materials Handling (deficit elimination)		1,690
Barr House (deficit elimination)		5,165
Summer Drug Prevention Grant (deficit elimination)		2,405
<u>Other Transfers Out</u>		
Public Improvement Fund		<u>150,000</u>
	\$	<u><u>1,102,018</u></u>

EXHIBIT C

RECOMMENDED GENERAL FUND
1999 BUDGET ADJUSTMENTS

EXPENDITURE BUDGET DECREASES

<u>Judicial</u>		
Circuit Court	\$	169,710
Probate Court - Juvenile		55,500
<u>General Government</u>		
Elections		91,500
Administrator/Controller		18,652
Prosecuting Attorney		28,000
Building Authority		151,500
<u>Public Safety</u>		
Jail		130,000
<u>Other Functions</u>		
Insurance		150,000
Contingencies		409,036
<u>Debt Service</u>		
Other Transfers out		<u>106,000</u>
	\$	<u>1,309,898</u>

ST. CLAIR COUNTY
SPECIAL REVENUE FUNDS
1999 AMENDED BUDGETS
EXHIBIT "C"

REVENUES

	FRIEND OF COURT ACT 294	FRIEND OF COURT MEDICAL GRANT	HEALTH DEPARTMENT	RESOURCE RECOVERY	HOUSEHOLD HAZARDOUS WASTE	HAZARDOUS MATERIALS HANDLING	HAZARDOUS MATERIALS RESPONSE TEAM
Taxes							
License & Permits			84,850				
Intergovernmental - Federal			431,358				
- State	337,721	56,989	4,304,412				
- Other							70,000
Charges for Services	20,000		784,650	131,300			
Fines & Forfeits							
Interest & Rents	40,000						
Other Revenues			55,600	1,000			20,000
TOTAL REVENUES	397,721	56,989	5,660,870	132,300	0	0	90,000

EXPENDITURES

Judicial							
General Government	413,523	56,990		40,000			
Public Safety					78,075		40,000
Public Works							
Health & Welfare			8,237,138				
Recreation & Culture							
Capital Outlay	13,000		56,123				50,000
TOTAL EXPENDITURES	426,523	56,990	8,293,261	40,000	78,075	0	90,000

OTHER FINANCING SOURCES(USES)

Operating Transfers in -							
County Appropriation			2,402,392			1,690	
Other					75,000		
Operating Transfers Out				328,473	110,554		
	0	0	2,402,392	-328,473	-35,554	1,690	0
Excess of Budgeted Revenues and Other Sources over (under) Budgeted Expend- itures and Other Uses	-28,802	-1	-229,999	-236,173	-113,629	1,690	0
Fund Balance at Beginning of Year	922,286	216	2,791,190	236,173	113,629	-1,690	18,765
Estimated Fund Balance at End of Year	893,484	215	2,561,191	0	0	0	18,765

ST. CLAIR COUNTY
SPECIAL REVENUE FUNDS
1999 AMENDED BUDGETS
EXHIBIT "C"

REVENUES

	FAMILY COUNSELING	REMONUMENTATION	COUNTY PLANNING	PUBLIC IMPROVEMENT	SENIOR CITIZENS MILLAGE	DRUG TASK FORCE MILLAGE	LIBRARY MILLAGE	PARKS AND RECREATION MILLAGE
Taxes					1,931,350	1,106,777	1,946,000	1,951,900
License & Permits			58,081					
Intergovernmental - Federal		70,000	14,500			20,521	39,050	207,000
- State								
- Other			8,000					15,500
Charges for Services	20,000							
Fines & Forfeits						25,000		
Interest & Rents						25,000	52,700	63,100
Other Revenues						100		3,600
TOTAL REVENUES	20,000	70,000	80,581	0	1,931,350	1,177,398	2,037,750	2,241,100

EXPENDITURES

Judicial	10,000							
General Government		70,000		200,000				
Public Safety			571,577			1,021,460		
Public Works					1,966,512			
Health & Welfare							1,186,052	1,006,241
Recreation & Culture							851,698	1,353,900
Capital Outlay			7,400	300,000		25,000		
TOTAL EXPENDITURES	10,000	70,000	578,977	500,000	1,966,512	1,046,460	2,037,750	2,360,141

OTHER FINANCING SOURCES(USES)

Operating Transfers in -								
County Appropriation			391,728	300,000				74,672
Other		69	75,000	150,000				
Operating Transfers Out	22,000			120,000		174,567		
	-22,000	69	466,728	330,000	0	-174,567	0	74,672

Excess of Budgeted Revenues and Other
Sources over (under) Budgeted Expend-
itures and Other Uses

	-12,000	69	-31,668	-170,000	-35,162	-43,629	0	-44,369
Fund Balance at Beginning of Year	104,705	-69	55,259	1,585,595	591,421	614,743	1,519,649	1,282,733
Estimated Fund Balance at End of Year	92,705	0	23,591	1,415,595	556,259	571,114	1,519,649	1,238,364

ST. CLAIR COUNTY
SPECIAL REVENUE FUNDS
1999 AMENDED BUDGETS
EXHIBIT "C"

	SECONDARY		LAW LIBRARY	COUNTY LIBRARY	CDBG HOUSING - 273	HUD - 275	HOUSING ASSISTANCE 279	SUMMER DRUG PREVENTION GRANT
	LIQUOR TAX	ROAD PATROL						
	262,452	171,835		195,000	354,000			40,000
			500	18,300				
			6,500	709,230				
			500	35,000				
				2,100	25,000			
TOTAL REVENUES	262,452	171,835	7,500	969,560	354,000	25,000	0	40,000

REVENUES

Taxes
License & Permits
Intergovernmental - Federal
- State
- Other
Charges for Services
Fines & Forfeits
Interest & Rents
Other Revenues

EXPENDITURES

Judicial								
General Government								
Public Safety	171,835		16,300					40,000
Public Works					364,000	80,000		
Health & Welfare	240,700			1,398,621				
Recreation & Culture			700	545,940				
Capital Outlay								
TOTAL EXPENDITURES	240,700	171,835	17,000	1,944,561	364,000	80,000	0	40,000

OTHER FINANCING SOURCES(USES)

Operating Transfers in - County Appropriation Other			9,500	975,001	10,000			2,405
Operating Transfers Out	0	0	9,500	975,001	10,000	0	0	2,405

Excess of Budgeted Revenues and Other
Sources over (under) Budgeted Expend-
itures and Other Uses

	21,752	0	0	0	0	-55,000	0	2,405
Fund Balance at Beginning of Year	171,075	47,307	7,374	415,087	135,445	132,161	2,994	-2,405
Estimated Fund Balance at End of Year	192,827	47,307	7,374	415,087	135,445	77,161	2,994	0

ST. CLAIR COUNTY
SPECIAL REVENUE FUNDS
1999 AMENDED BUDGETS
EXHIBIT "C"

REVENUES

	COMMUNITY CORRECTIONS GRANT	LOCAL LAW ENFORCEMENT BLOCK GRANT	CRIMINAL JUSTICE TRAINING GRANT	MCEBG JOBS TRAINING GRANT	BARR HOUSE	FAMILY INDEPENDENCE AGENCY	CHILD CARE	SOLDIERS RELIEF
Taxes								
License & Permits		31,849		30,000		700,000	20,000	
Intergovernmental - Federal						590,000	728,661	
- State	209,400		30,000					
- Other					296,087		55,000	
Charges for Services								
Fines & Forfeits		1,000				10,000	29,426	
Interest & Rents								
Other Revenues								
TOTAL REVENUES	209,400	32,849	30,000	30,000	296,087	1,300,000	833,087	0

EXPENDITURES

Judicial								
General Government				30,000				
Public Safety	145,186	37,264	30,000					
Public Works								
Health & Welfare					296,087	1,888,750	3,409,680	1,500
Recreation & Culture								
Capital Outlay							45,821	
TOTAL EXPENDITURES	145,186	37,264	30,000	30,000	296,087	1,888,750	3,455,501	1,500

OTHER FINANCING SOURCES(USES)

Operating Transfers in -								
County Appropriation	30,000	4,415				588,750	1,748,576	1,500
Other					5,165		31,590	
Operating Transfers Out								
	30,000	4,415	0	0	5,165	588,750	1,780,166	1,500

Excess of Budgeted Revenues and Other Sources over (under) Budgeted Expenditures and Other Uses

	94,214	0	0	0	5,165	0	-842,248	0
Fund Balance at Beginning of Year	23,002	375	8,741	0	-5,165	798,789	1,687,452	7

Estimated Fund Balance at End of Year

	117,216	375	8,741	0	0	798,789	845,204	7
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ST. CLAIR COUNTY
SPECIAL REVENUE FUNDS
1999 AMENDED BUDGETS
EXHIBIT "C"

	VETERANS TRUST	OFFICE AUTOMATION	INSURANCE CLAIMS	FORFEITED ASSET SHARING	EMS COMPUTER GRANT
	40,000				
			20,000	10,000	
TOTAL REVENUES	40,000	0	20,000	10,000	0

REVENUES

Taxes	
License & Permits	
Intergovernmental - Federal	
- State	
- Other	10,000
Charges for Services	
Fines & Forfeits	
Interest & Rents	20,000
Other Revenues	
TOTAL REVENUES	40,000

EXPENDITURES

Judicial	
General Government	600,000
Public Safety	
Public Works	
Health & Welfare	40,000
Recreation & Culture	
Capital Outlay	300,000
TOTAL EXPENDITURES	900,000

OTHER FINANCING SOURCES(USES)

Operating Transfers in -			
County Appropriation	818,365	30,000	
Other			
Operating Transfers Out	124,350	241,290	7,048
	0	694,015	-211,290
			-7,048
			-46

Excess of Budgeted Revenues and Other Sources over (under) Budgeted Expenditures and Other Uses

	0	-205,985	-241,290	-12,048	-46
Fund Balance at Beginning of Year	4,032	205,985	241,290	12,048	46
Estimated Fund Balance at End of Year	4,032	0	0	0	0

ST. CLAIR COUNTY
DEBT SERVICE FUNDS
BUDGETS
1999 AS AMENDED

EXHIBIT C

	1980		1996	
	Building Renovation Authority	Building Authority	Building Authority	Building Authority Drain
Interest	0	0	0	0
Miscellaneous	0	0	0	0
	0	0	0	0

<u>EXPENDITURES</u>				
Debt Service - Principal	63000	325000	0	85000
- Interest	18711	9750	622250	15000
- Fees	289	1000	1000	0
	82000	335750	623250	100000

<u>OTHER FINANCING SOURCES</u>			
Operating Transfer In - Other	82000	331302	626698
			100000

Excess of budgeted revenues and other sources over (under) budgeted expenditures	0	-4448	3448	0
Fund Balance at the Beginning of Year	8516	4448	3827	0
Estimated Fund Balance at the End of Year	8516	0	7275	0

debtser2.xls

RESOLUTION 99-59

ADOPTING 2000 GENERAL FUND BUDGET

WHEREAS, it is the duty of the St. Clair County Board of Commissioners during its annual October Session, to set the General Fund Budget for the County of St. Clair for the next year; and

WHEREAS, the St. Clair County Board of Commissioners has determined the General Fund Budget for the County of St. Clair for the year 2000; and

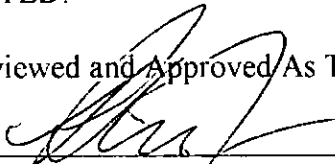
WHEREAS, M.S.A. 5.3228 (36) requires the Board to pass a "general appropriations act" setting forth amounts appropriated and estimated revenues, by source, in each fund for the ensuing fiscal year, all of which must be consistent with uniform charts of accounts as prescribed by the State Treasurer.

NOW, THEREFORE, BE IT RESOLVED:

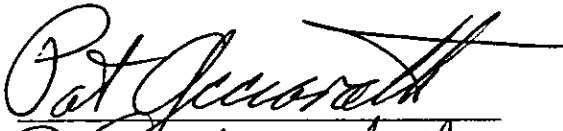
- 1) That the General Fund Budget for the County of St. Clair for fiscal year 2000 is attached hereto, marked as Exhibit "A".
- 2) That said Budget conforms to the requirements of MSA 5.3228 (36) in every respect, setting forth amount appropriated, statements of estimated revenues, by source, in each fund, and is consistent with uniform charts of accounts prescribed by the State Treasurer.
- 3) That this Resolution constitutes a general appropriations act as required by law.

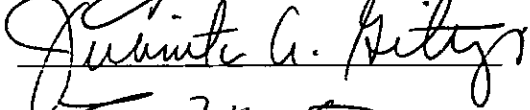
DATED:

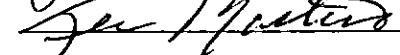
Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







County of St. Clair, Michigan

**2000 GENERAL FUND
BUDGETED CHANGES IN AVAILABLE FUND BALANCE**

Estimated Available Fund Balance at December 31, 1999	\$ 8,211,319
Add: 2000 Budgeted Revenue	42,378,423
Less: 2000 Budgeted Expenditures	<u>42,378,423</u>
Estimated Available Fund Balance at December 31, 2000	<u>\$ 8,211,319</u>

County of St. Clair, Michigan

**2000 GENERAL FUND
REVENUE BUDGET SUMMARY BY CONTROL CATEGORY**

<u>Control Category</u>	
Judicial (130):	4,508,347
General Government (170):	35,459,569
Public Safety (300):	2,153,693
Health and Welfare (600):	60,000
Transfers In - Other (931)	<u>196,814</u>
TOTAL REVENUES SUMMARY	<u><u>42,378,423</u></u>

County of St. Clair, Michigan

2000 GENERAL FUND
REVENUE BUDGET SUMMARY - BY DEPARTMENT TOTALS

Judicial (130):

131	Circuit Court	130,500
136	District Court	2,385,700
141	Friend of Court	1,572,947
148	Probate Court - Adult	180,000
149	Probate Court - Juvenile	239,200
		<u>4,508,347</u>

General Government (170):

191	Elections	37,750
219	Clerk - Register	1,838,050
229	Prosecuting Attorney	316,406
253	Treasurer	33,083,226
257	Cooperative extension	56,030
275	Drain Commissioner	128,107
		<u>35,459,569</u>

Public Safety (300):

301	Sheriff and Patrol	1,140,993
331	Marine Safety	150,000
351	Jail	594,000
426	Emergency Services	28,000
430	Animal Shelter	240,700
		<u>2,153,693</u>

Health and Welfare (600):

685	Public Guardian	<u>60,000</u>
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Transfers In - Other (931)

931	Transfers in	<u>196,814</u>
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42,378,423

County of St. Clair, Michigan

**2000 GENERAL FUND
REVENUE BUDGET COMPARISONS SUMMARY**

TOTALS		<u>1998 Actual</u>	<u>1999 Estimated</u>	<u>1999 Budget</u>	<u>2000 Budget</u>
401	Taxes	20,305,131	21,386,925	21,048,629	21,560,000
450	Licenses and permits	205,183	213,473	214,000	241,500
539	State grants	6,773,266	5,381,182	5,423,542	5,667,116
600	Charges for services	4,205,041	4,385,999	4,316,912	4,786,062
655	Fines and forfeits	580,047	586,500	597,000	596,500
664	Interest and rent	2,599,083	3,063,200	2,444,524	3,063,800
671	Other revenues and reimbursements	2,125,908	1,794,783	2,105,446	2,245,710
695	Other financing sources	741,020	696,567	696,567	400,745
692	Cost allocation	-	4,012,532	4,012,532	3,816,990
		<u>37,534,679</u>	<u>41,521,161</u>	<u>40,859,152</u>	<u>42,378,423</u>

Note: 1999 Budget amounts represent the original budget and do not include amendments made at the end of 1999.

County of St. Clair, Michigan

**2000 GENERAL FUND
EXPENDITURE BUDGET SUMMARY BY CONTROL CATEGORY**

<u>Control Category</u>	
Legislative (100):	604,694
Judicial (130):	9,020,686
General Government (170):	9,161,224
Public Safety (300):	10,878,396
Public Works (440):	100,000
Health and Welfare (600):	555,168
Other functions control (850):	1,465,571
Debt Service (905)	184,483
Transfers Out - Appropriation (966)	<u>10,408,201</u>
TOTAL EXPENDITURES SUMMARY	<u><u>42,378,423</u></u>

County of St. Clair, Michigan

**2000 GENERAL FUND
EXPENDITURE BUDGET SUMMARY**

Legislative (100):

101-101	Board of Commissioners	152,694
101-103	Other Legislative Activities	452,000
		<hr/>
		604,694

Judicial (130):

101-131	Circuit Court	1,948,666
101-136	District Court	2,559,946
101-141	Friend of Court	1,907,258
101-148	Probate Court - Adult	759,612
101-149	Probate Court - Juvenile	1,756,231
101-151	Probation - Adult	88,973
		<hr/>
		9,020,686

General Government (170):

101-191	Elections	210,183
101-219	Clerk - Register	886,957
101-223	Administrator/Controller	580,327
101-225	Equalization	462,455
101-226	Personnel	344,086
101-229	Prosecuting Attorney	2,177,983
101-234	Stores - Central Supply	-
101-243	Lands and Graphics	230,919
101-248	Boundary Commission	200
101-249	Plat Board	300
101-253	Treasurer	465,506
101-257	Cooperative Extension	468,649
101-261	Building Authority	1,162,890
101-265	Building and Grounds	1,816,631
101-275	Drain Commissioner	343,014
101-291	County Agricultural Society	-
101-296	County Motor Pool	11,124
		<hr/>
		9,161,224

County of St. Clair, Michigan

**2000 GENERAL FUND
EXPENDITURE BUDGET SUMMARY**

Public Safety (300):

101-301	Sheriff and Patrol	5,401,670
101-331	Marine Safety	259,519
101-332	Dive Team	7,141
101-351	Jail	4,749,590
101-426	Emergency Services	172,243
101-428	Livestock Claims	-
101-430	Animal Shelter	288,233
		<u>10,878,396</u>

Public Works (440):

101-445	Drains - Public Benefit	<u>100,000</u>
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Health and Welfare (600):

101-651	Ambulance - E.M.S.	181,040
101-681	Veterans Burial	23,000
101-682	Veterans Counselor	151,053
101-685	Public Guardian	200,075
		<u>555,168</u>

Other functions control (850):

101-865	Insurance	1,085,000
101-890	Contingencies	380,571
		<u>1,465,571</u>

Debt Service (906)

101-906	Debt service	<u>184,483</u>
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	Total General Fund Expenditures	<u><u>31,970,222</u></u>
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County of St. Clair, Michigan

**2000 GENERAL FUND
EXPENDITURE BUDGET SUMMARY**

Transfers Out - Appropriation (966)

999-001	Law Library	9,500
999-002	Soldiers Relief	1,750
999-003	County Road	851,558
999-005	Health Department	2,402,392
999-006	Mental Health	955,672
999-007	Child Care - Probate	2,511,244
999-008	Child Care-Welfare	345,000
999-009	Social Services	243,750
999-010	County Library	1,072,036
999-011	County Airport	239,550
999-012	Public Improvement	500,000
999-013	County Planning	480,938
999-014	Office Automation	-
999-016	Radio Communications	-
999-017	Secondary Road Patrol	-
999-018	Insurance Claims	-
999-020	Parks and Recreation Millage	116,837
999-021	Community Development Block Grant	10,000
999-022	Local law enforcement grant	3,911
999-023	Data Processing	595,063
999-024	Community Corrections	30,000
999-025	Hazardous Materials Response	39,000
999-026	Barr House	-
999-027	Drug Screening Grant	-
999-028	Building Authority Construction	-
999-029	Building Renovation Fund	-
999-032	Remonumentation	-
999-033	Hazardous Materials Handling	-
		<u>10,408,201</u>
	Total General Fund Expenditures and Transfers Out	<u><u>42,378,423</u></u>

County of St. Clair, Michigan

**2000 GENERAL FUND
EXPENDITURE BUDGET COMPARISONS SUMMARY**

<u>Control Category</u>	<u>1998 Actual</u>	<u>1999 Estimated</u>	<u>1999 Budget</u>	<u>2000 Budget</u>
Legislative (100):	491,524	470,443	505,682	604,694
Judicial (130):	7,504,673	8,626,607	8,909,782	9,020,686
General Government (170):	9,589,108	8,660,452	8,918,482	9,161,224
Public Safety (300):	9,190,485	10,403,635	10,452,256	10,878,396
Public Works (440):	79,864	100,000	100,000	100,000
Health and Welfare (600):	458,827	526,533	525,018	555,168
Parks and Recreation (750)	-	-	-	-
Other functions control (850):	662,619	937,000	1,394,036	1,465,571
Debt Service (905)	85,213	187,983	187,983	184,483
Transfers Out - Appropriation (966)	9,088,629	10,072,837	9,865,913	10,408,201
TOTAL EXPENDITURES SUMMARY	37,150,942	39,985,490	40,859,152	42,378,423

Note: 1999 Budget amounts represent the original budget and do not include amendments made at the end of 1999.

RESOLUTION 99-58

**DISTRIBUTING THE 2000 COUNTY ROAD
APPROPRIATION**

WHEREAS, the determination of the Board of County Road Commissioners of County road needs for 2000 has been presented to the St. Clair County Board of Commissioners, and it has been determined to appropriate the sum of \$851,558 from the County General Fund.

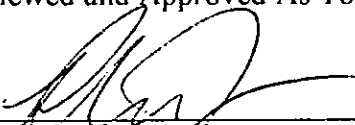
NOW, THEREFORE, BE IT RESOLVED THAT:

- 1) An appropriation of \$ 851,558 to be allocated in the 2000 budget, is hereby made for the County Local Road Money Programs to be matched 100% by Townships. These dollars allocated to the Road Commission in four equal payments to be designated for the Townships on a formula basis.

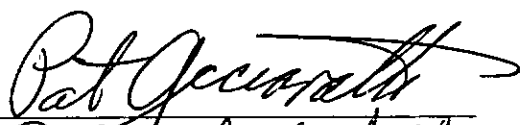
- 2) All resolutions and parts of resolutions in conflict with this Resolution, are to extent of the conflict, hereby rescinded.

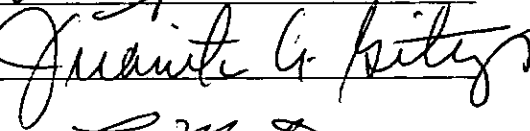
DATED: December 15, 1999


Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







RESOLUTION 99-57

OPPOSING NON-RESIDENTS RIGHT TO VOTE

WHEREAS, there is a bill before the Michigan Senate regarding a proposed amendment to the Michigan Constitution of 1963 to permit non-residents who pay ad valorem property tax on real property located in a political subdivision the right to vote on local issues, tax limit increases, or bond issues; and

WHEREAS, Senate Joint Resolution 1, introduced by Senator Jaye, would negatively impact the voter registration process, be a record keeping nightmare, and a very costly expense, not to mention the problem small counties and schools would have in passing a millage; and

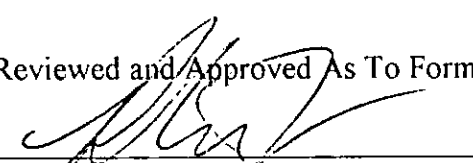
WHEREAS, non-residents, who can afford to own recreational and/or vacation properties, understand that these properties are subject to tax before they buy it, and taxation without representation does not apply.

NOW, THEREFORE BE IT RESOLVED, that the St. Clair County Board of Commissioners vehemently opposes any legislative action which would allow non-residents the right to vote on tax issues as proposed by Senate Joint Resolution 1, and asks that this matter be further researched and reconsidered because of the major impact involved.

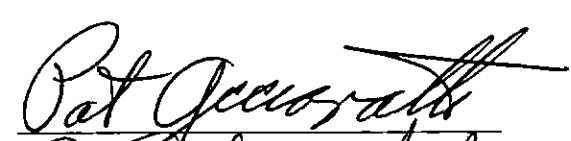
BE IT FURTHER RESOLVED, that the St. Clair County Board of Commissioners asks the other 82 Michigan Counties to join them in opposing this action by contacting their legislative representative. St. Clair County will be providing copies of this resolution to Governor John Engler, Senator Dan DeGrow, Representatives Lauren Hager and Jud Gilbert, Michigan Association of Counties and the other 82 Michigan Counties.

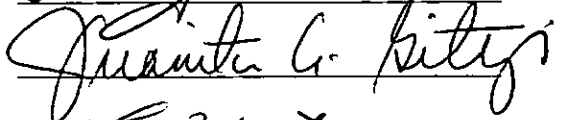
DATED: December 15, 1999


Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







RESOLUTION 99-56

**ST. CLAIR COUNTY BOARD OF COMMISSIONERS' RESOLUTION
REGARDING THE ASSESSMENT OF STATE OWNED LANDS FOR
DRAINAGE BENEFITS BY LOCAL GOVERNMENTAL UNITS**

WHEREAS, PA 40 of 1956, known as the Michigan Drain Code, was compiled to codify drainage law and the assessment and apportionment of cost based on benefits to properties for drainage and the public health, safety and welfare of the citizens of the State of Michigan as well as the benefiting property owners, both public and private; and

WHEREAS, a rewrite of the drainage laws is currently being considered by the Michigan Legislature; and

WHEREAS, State lands as well as other government owned properties benefit from drainage improvements, just like privately held lands benefit and contribute runoff.

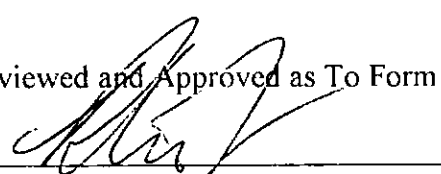
NOW, THEREFORE, BE IT RESOLVED that all public held lands, whether developed or not, be subject to direct special assessment for drainage as like privately owned property.

BE IT FURTHER RESOLVED that the Department of Natural Resources request annual budget inclusion of sufficient funds to allow for such payments, including lake levels and or improvements where public ownership and access are located on lakes, rivers and streams of the State of Michigan; and

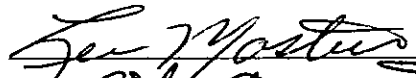
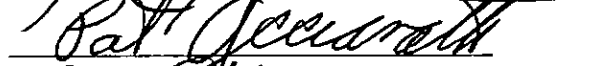
BE IT FURTHER RESOLVED that copies of this resolution be forwarded to MML, MAC, MTA, the Governor's office, area legislators, and the respective Clerks of the other 82 Counties in the State of Michigan.


DATED: December 15, 1999

Reviewed and Approved as To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060



RESOLUTION 99-55

**AUTHORIZING ISSUANCE OF LETTER OF CREDIT FOR ACCOUNT
OF COUNTY OF ST. CLAIR**

WHEREAS, the County of St. Clair is the owner of certain land in the Township of Kimball, State of Michigan, which is the site of the Smiths Creek Landfill; and

WHEREAS, Part 115 of Public Act 451 of 1994, as amended, requires as a condition for continued licensing of a sanitary landfill, that a bond be posted with the Michigan Department of Environmental Quality in an amount sufficient for estimated closure and post closure costs for all constructed landfill disposal areas; and

WHEREAS, the Michigan Department of Environmental Quality has authorized and agreed that Letters of Credit in the amount of Two Million, Five Thousand Dollars (\$2,005,000.00) in favor of the Michigan Department of Environmental Quality for the account of the County of St. Clair may be posted in lieu of a bond; and

WHEREAS, the County currently holds a letter of credit in the amount of \$1,000,000.00 and recognizes the need under the Act for an additional \$1,005,000.00 letter of credit; and

WHEREAS, Maureen Ruff, Treasurer, County of St. Clair executed and delivered unto Michigan National Bank, a Standby Letter of Credit Application and Agreement, requesting Michigan National Bank to issue an additional Standby Letter of Credit in the amount of One Million and Five Thousand Dollars (\$1,005,000.00) in favor of the Michigan Department of Environmental Quality for the account of the County of St. Clair; and


WHEREAS, Michigan National Bank has requested a Resolution of this Board in support of the procurement of said Irrevocable Letter of Credit and to authorize, ratify and confirm the actions of the County of St. Clair and of Maureen Ruff, Treasurer, County of St. Clair, in procuring said Irrevocable Letter of Credit, including but not limited to the execution and delivery of said Standby Letter of Credit of Application and Agreement unto Michigan National Bank.


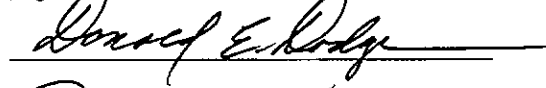
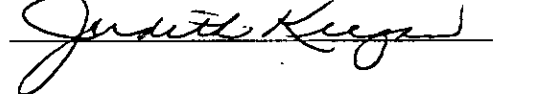
NOW, THEREFORE, BE IT RESOLVED, that

- 1) The execution and delivery of that certain Standby Letter of Application and Agreement by Maureen Ruff, Treasurer, County of St. Clair, unto Michigan National Bank and the procurement of Irrevocable Letter of Credit from Michigan National Bank in favor of the Michigan Department of Environmental Quality for the account of the County of St. Clair, and any and all liabilities and obligations of the County of St. Clair arising under or pursuant to the foregoing, are hereby authorized, ratified and confirmed by this Board, and the full faith and credit of the County of St. Clair is hereby offered in support of said Letter of Credit.
- 2) All resolutions and parts of resolutions, insofar as the same conflict with the provisions of this resolution, be and same hereby are rescinded.

DATED: December 1, 1999

Reviewed and Approved as To Form By:


PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060



L/C No. _____
(FOR BANK USE ONLY)

Application and Agreement for Irrevocable Standby Letter of Credit

TO: Michigan National Bank
Attn: International Division
27777 Inkster Road
Farmington Hills, MI 48334

Date: November 30, 1999

Please issue an Irrevocable Standby Letter of Credit as set forth below and forward same to ^{Applicant} Beneficiary by:

- Mail
- Overnight Mail
- or
- Return Original to Loan Officer
- Hold for Applicant pick-up

Beneficiary	Applicant
Director, Michigan Department of Environmental Quality c/o Division Chief, Waste Management Div. PO Box 30241 Lansing, MI 48909-7741	County of St. Clair County Building 201 McMorran Blvd. Port Huron, MI 48060
	Amount
	In Figures \$2,005,000.00
Expiration Date: <u>August 4, 2000</u>	In Words <u>Two Million Five Thousand and no/100 Dollars</u>

- Relative To:
- Clean Letter of Credit - No documents other than draft required
- Draft(s) to be accompanied by:

RESOLUTION 99-54

APPROVING THE PURCHASE OF APPROXIMATELY 9.82 MILES
OF CSX TRANSPORTATION, INC. RAILROAD RIGHT OF WAY
FROM WADHAMS ROAD TO M-136 IN AVOCA
FOR USE AS A NON-MOTORIZED RECREATIONAL TRAIL

WHEREAS, the St. Clair County Parks and Recreation Commission has negotiated a purchase agreement for the acquisition of approximately 9.82 miles of railroad right of way owned by CSX Transportation, Inc. for use as a non-motorized recreational trail; and

WHEREAS, legal counsel and Department of Natural Resources staff have reviewed the purchase agreement and recommended its approval subject to appropriate environmental site assessment; and

WHEREAS, the Michigan Natural Resources Trust Fund will reimburse St. Clair County up to \$161,000 for eligible acquisition costs; and

WHEREAS, the citizens of St. Clair County have expressed their support for the creation of a County trails system including the Wadhams To Avoca Trail; and

WHEREAS, the citizens of St. Clair County have renewed special millage to fund County parks and recreation properties, facilities and programs; and

WHEREAS, the St. Clair County Parks and Recreation Commission has requested that the County Board approve the purchase agreement.

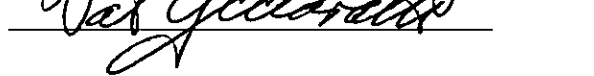
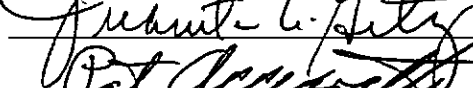
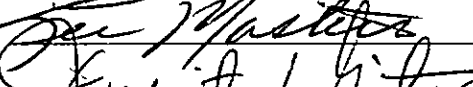
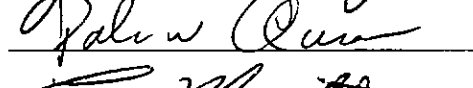
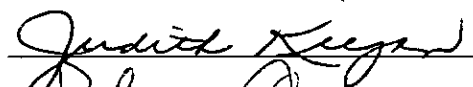
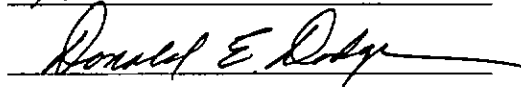
NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of St. Clair County does hereby authorize the Chairman of the County Board of Commissioners to sign the purchase agreement with CSX Transportation, Inc. for the agreed upon purchase price of \$200,000.00, subject to environmental site assessment, and that County Parks and Recreation Millage Funds be used to fund the purchase.

DATED: December 1, 1999

REVIEWED AND APPROVED AS TO FORM BY:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060



RESOLUTION 99-52

RELATIVE TO ANNUAL DRAIN ASSESSMENTS

WHEREAS, M.S.A. 11,1262, being C.L. 1948, 280.62 requires the Drain Commissioner to submit to the County Board of Commissioners, at its October Session of each year, an assessment roll showing the moneys to be assessed for drain purposes against the County, Townships, Cities, Villages, State Highway Department and Railroad Companies; and

WHEREAS, the said assessment roll must be reviewed by the County Board of Commissioners for the purpose of receiving approval thereupon; and

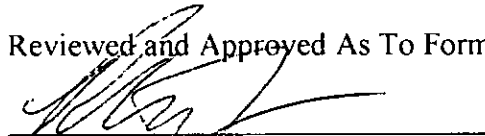
WHEREAS, Fred Fuller, St. Clair County Drain Commissioner, has prepared and submitted to this Board of commissioners, his drain assessment roll, which meets the requirements of the statute.

NOW, THEREFORE, BE IT RESOLVED:

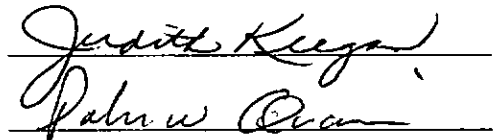

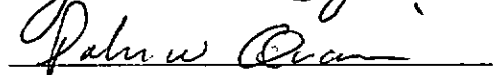
- 1) That the Drain Commissioner's assessment roll may be, and the same hereby is approved, and the percentages apportioned therein shall be assessed against such townships, cities, villages and against the County at Large, by reason of the improvements of the highways within the drainage district and against the State by reason of the improvements of the State trunk line highways within such drainage district, and against all parcels of land therein according to such apportionment of benefits provided.
- 2) That the various assessing officers of the governmental units affected are hereby authorized and directed to spread the assessments for drain purposes as set forth in said roll.
- 3) That said roll is marked "Exhibit "A" attached hereto and made a part hereof by reference.
- 4) All resolutions and parts of resolutions in conflict with this Resolution, are to the extent of the conflict, hereby rescinded.

DATED: December 1, 1999

Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060

COUNTY AT LARGE DRAIN ASSESSMENTS

1999

EXHIBIT "A"

Apply	\$ 68.00	Odette	\$ 51.00
Beehr	856.14	Plum Creek	223.00
Berville	266.58	Railroad	506.72
Big Hand	126.40	Railroad Br #1	766.41
Cameron	126.23	Routley	213.03
Campbell	1,676.82	Schriber	2,084.20
Clippert	51.00	Shea	335.87
Collins & Br	68.00	Sheehy	3,710.51
Cooper	3,158.61	Sheldon	2,490.07
Cowhy	51.00	Slaght	28.30
Crapaud Crk I C Dr	5,584.48	S B of Mill Creek I C Dr	4,847.49
Doe Crk	34.00	S B of Pine River	559.50
Doe Crk Br #2	748.47	Spencer	44.00
E Br Jordan Crk	34.00	Sprotbery	1,368.65
E Br Walker	393.23	Stuever	1,734.50
Emmett	102.00	Sykes	1,169.22
Eves	518.80	Talmadge	1,826.66
Fitten	617.60	Tinsman	515.75
Forrest Manor Storm Sewer	1,032.00	Todd	773.62
Fraser	1,031.50	Vincent	93.50
Galley I C Dr	3,100.00	Walters	1,054.82
Grace	68.00	W Br of Baird	34.00
Graham Br #1	2,143.40	W Marsh & E Br Bovia	102.00
Graham Br #2	877.27	Wolvin	34.00
Grandchamp	527.10		
Hathaway	153.00		\$55,965.61
Hill	722.05		
Howe-Brandymore Ext	951.94		
Jackson Crk I C Dr	3,388.46		
Jordan	1,023.38		
Livergood I C Dr	1,530.51		
Middleton	133.00		
No 202	150.82		
No 211	85.00		

Mill Creek, Downstream Work

County's approved 50% share of Yale/Brockway project: \$ 14,299.75
 County's approved 75% share of Brockway Extension Area project: 33,941.62

TOTAL: \$ 104,206.98

Amount budgeted in 1999 for DRAINS -- PUBLIC BENEFIT: \$ 100,000.00
 Amount budgeted in 1999 in contingency for Mill Creek: 64,000.00

RESOLUTION 99-53

**ST. CLAIR COUNTY BOARD OF COMMISSIONERS OPPOSITION
TO THE PROPOSED MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
PLAN TO BID OUT BEHAVIORAL HEALTH SERVICES**

WHEREAS, the State of Michigan's Department of Community Health has released a document entitled "Competition for Management of Publicly-Funded Specialty Services" plan which attempts to outline the various options or new directions for Michigan's Public Behavioral Healthcare system; and

WHEREAS, this plan will drastically affect the more than 1.1 million citizens enrolled in the Medicaid program, as well as the 315,000 other individuals with severe and persistent mental illnesses, developmental disabilities and substance abuse disorders who currently receive services and supports organized and delivered through the 49 Community Mental Health Boards and 15 Coordinating Agencies throughout the State; and

WHEREAS, the Department of Community Health in conjunction with the Federal Health Care Financing Administration is preparing to "bid out" through an open and competitive bid process; and

WHEREAS, the Michigan Constitution (Article VIII; Section 8) requires the State to provide care and treatment for the State's vulnerable population; and

WHEREAS, the Michigan Mental Health Code provides for the establishment of a Department of Mental Health in order to fulfill the State's constitutional obligation, and furthermore provides for said department to "shift primary responsibility for the direct delivery of public mental health services from the State to a community mental health services program whenever the community mental health services program has demonstrated a willingness and capacity to provide an adequate and appropriate system of mental health services for the citizens of that service area" (MCL 330.11176); and

WHEREAS, the Mental Health Code furthermore directs the State to financially support community mental health services programs (MCL 330.1202); and

WHEREAS, the Mental Health Code further empowers county boards of commissioners to establish procedures and policies to govern such programming (MCL 330.1204) and to otherwise "provide a comprehensive array of mental health services appropriate to conditions of individuals who are located within its geographic service area" (MCL 330.1206); and

WHEREAS, the Mental Health Code furthermore directs for the establishment of community mental health services boards to be appointed by boards of commissioners, which boards shall be composed of, among other members, primary consumers or family members, with residency requirements (MCL 330.1211-1226); for assuring public accountability for the quality and continuity of the mental health safety net.

WHEREAS, the State, through the Michigan Department of Community Health, has published a plan which provides for the State to discontinue funding and reliance upon community mental health services boards in order to achieve financial benefits resulting from "competitively bidding" such management function to the private sector; and

WHEREAS, the Department's Plan is in conflict with existing law, is incomplete, containing no provision for avoiding failures which have occurred elsewhere and furthermore makes no provision for counties and their community mental health services agencies for cost incurred in connection with the development of such programs; or retaining the community benefit programs which CMH has been involved with including Trauma Response, Jail Services Coordination, Wrap Around Programs, etc.; and

WHEREAS, this Board is persuaded that public governance with its obligation to reinvest savings back into service rather than privatization, is fundamentally necessary for the sound management of mental health; and

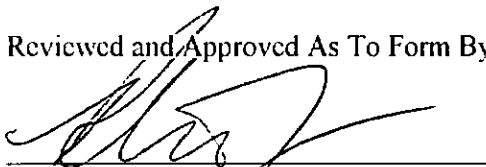
WHEREAS, this Board is persuaded that Counties and Boards are best equipped to provide such governance by reason of knowledge and experience of what is needed at a community and client based level; and

WHEREAS, the Department's Plan ignores the historical evolution of CMH in human service, cross systems integration at the local level


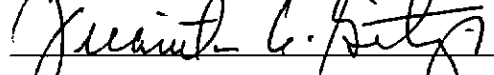
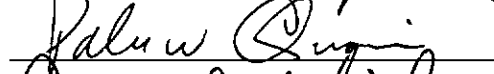
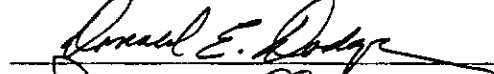
THEREFORE, BE IT RESOLVED THAT THE UNDERSIGNED REPRESENTING THE ST. CLAIR COUNTY BOARD OF COMMISSIONERS GOES ON RECORD AS OPPOSING THE DEPARTMENT'S PLAN FOR THE ELIMINATION OF GOVERNMENTAL MANAGEMENT AT THE LOCAL LEVEL AND THE ELIMINATION OF COMMUNITY MENTAL HEALTH AS THE DESIGNED MANAGING ENTITY.

DATED: December 1, 1999

Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060



APPROPRIATING COUNTY LIBRARY SYSTEM OPERATING MILLAGE FUNDS FOR 2000

WHEREAS, the citizens of St. Clair County voted approval of a special millage levy for providing operating funds for the County Library System for a period of four years; and

WHEREAS, the County Board of Commissioners has reviewed and recommended approval of certain appropriations.

NOW, THEREFORE, BE IT RESOLVED: That the appropriation of Special Millage Funds for 2000 is as follows:

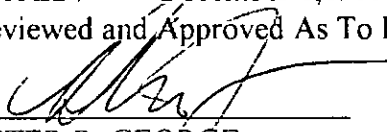
REVENUE



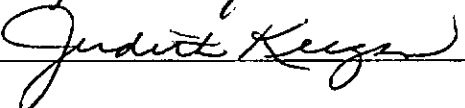
404	Current Property Taxes	2,045,000	
541	Single Business Tax	39,050	
665	Interest	<u>68,000</u>	
	TOTAL REVENUE:		<u>2,152,050</u>

EXPENDITURES:

704	Salaries & Wages, Perm.	225,400	
705	Salaries & Wages, Temp.	547,900	
714	Employer's Medicare	11,250	
715	Employer's Social Security	47,950	
716	Hospital Insurance	23,850	
717	Life Insurance	750	
718	Retirement Contribution	29,300	
719	Dental Insurance	3,600	
721	Disability Insurance	80	
722	Unemployment Insurance	80	
723	Worker's Compensation	<u>15,500</u>	905,660
727	Office Supplies	53,800	
732	Operating Supplies	<u>42,000</u>	95,800
801	Professional/Contractual	160,000	
850	Communications	50,000	
860	Travel-Mileage	2,600	
861	Travel-Other	2,500	
900	Printing	48,000	
926	Tax Tribunal Refunds	4,000	
930	Repairs & Service	45,000	
940	Equipment Rental	10,200	
953	Cost Allocation	26,618	
955	Miscellaneous	10,000	
958	Education & Training	<u>10,000</u>	368,918
988.001	Other Equip.-Information Resources		<u>873,000</u>
	TOTAL EXPENDITURES:		<u>2,243,378</u>

DATED: December 1, 1999
 Reviewed and Approved As To Form By:


 PETER R. GEORGE
 County Corporation Counsel
 301 County Building
 Port Huron, MI 48060

RESOLUTION 99-50

**APPROPRIATING SENIOR CITIZENS MILLAGE FUNDS
FOR 2000**

WHEREAS, the citizens of St. Clair County voted approval of a special millage levy for Senior Citizens Services for a period of four (4) years; and

WHEREAS, the Commission on Aging, appointed by the County Board of Commissioners, reviewed and recommended approval of certain appropriations.

NOW, THEREFORE, BE IT RESOLVED:

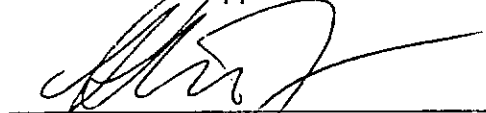
1. That the appropriation of Senior Citizens Millage Funds for 2000 is as follows:

Catholic Social Services	53,420
Council on Aging	1,649,620
D.A.R.E.S. – Pathway Shelter	1,643
Lakeshore Legal Aid	113,528
Public Guardian	954
Public Health Department	99,797
Visiting Nurses Association	114,428
Commission on Aging	27,763
Area Agency on Aging 1-B	14,800
Tax Appeals	12,000
Contingencies	<u>244,883</u>
	<u>2,332,836</u>

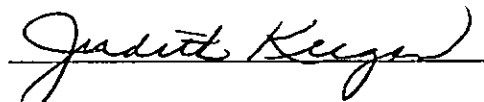
See Exhibits "A2" and "B-1" attached.

DATED: December 1, 1999

Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060



SENIOR CITIZENS MILLAGE FUND

FY 2000 ALLOCATIONS

CATHOLIC SOCIAL SERVICES Counseling		53,420
COUNCIL ON AGING		1,649,620
Chore Services	92,696	
Foster Grandparents	27,381	
Homemaker Services	400,348	
Home Repair Services	109,650	
Outreach Services	182,042	
Programs	278,716	
Transportation	142,207	
Adult Day Care	72,912	
Group Meals	72,095	
Home Delivered Meals	208,700	
After Hours Answering ***	2,000	
Personal Care Services ***	30,000	
Staff Stability Plan ***	30,873	
D.A.R.E.S.-PATHWAY SHELTER HOME Emergency Shelter		1,643
LAKESHORE LEGAL AID Legal Services		113,528
PUBLIC GUARDIAN Guardianship		954
PUBLIC HEALTH DEPARTMENT		99,797
Personal Care Services	78,262	
Staff Stability Plan ***	21,535	
VISITING NURSE ASSOCIATION		114,428
Respite Care Services	47,570	
Personal Care Services	58,838	
Adult Day Care - Dietary Supplement	1,000	
Staff Stability Plan ***	7,020	
COMMISSION ON AGING Administration/Planning		27,763
AREA AGENCY ON AGING IB County Assessment - Match		14,800
TAX APPEALS - Set Aside		12,000
CONTINGENCY FUND		244,883
TOTALS		2,332,836

Notes: *** one-time supplement

SENIOR CITIZENS MILLAGE FUND
FY 2000 ALLOCATIONS

PROJECTED REVENUE AT JANUARY 01, 2000		2,448,826
CATHOLIC SOCIAL SERVICES	53,420	
Counseling		
COUNCIL ON AGING	1,649,620	
Chore Services	92,696	
Foster Grandparents	27,381	
Homemaker Services	400,348	
Home Repair Services	109,650	
Outreach Services	182,042	
Programs	278,716	
Transportation	142,207	
Adult Day Care	72,912	
Group Meals	72,095	
Home Delivered Meals	208,700	
After Hours Answering ***	2,000	
Personal Care Services ***	30,000	
Staff Stability Plan ***	30,873	
D.A.R.E.S.-PATHWAY SHELTER HOME	1,643	
Emergency Shelter		
LAKESHORE LEGAL AID	113,528	
Legal Services		
PUBLIC GUARDIAN	954	
Guardianship		
PUBLIC HEALTH DEPARTMENT	99,797	
Personal Care Services	78,262	
Staff Stability Plan ***	21,535	
VISITING NURSE ASSOCIATION	114,428	
Respite Care Services	47,570	
Personal Care Services	58,838	
Adult Day Care - Dietary Supplement	1,000	
Staff Stability Plan ***	7,020	
COMMISSION ON AGING	27,763	
Administration/Planning		
AREA AGENCY ON AGING IB	14,800	
County Assessment - Match		
TAX APPEALS - Set Aside	12,000	
CONTINGENCY FUND	244,883	
TOTALS	2,332,836	2,332,836
PROJECTED FUND BALANCE AT DECEMBER 31, 2000		115,990

Notes: *** one-time supplement

RESOLUTION 99-49

**APPROPRIATING COUNTY PARKS AND RECREATION MILLAGE FUNDS
FOR 2000**

WHEREAS, the citizens of St. Clair County voted approval of a special millage levy for providing funds for establishing, improving and operating County and Local parks and recreation opportunities for a period of five years; and

WHEREAS, the County Parks and Recreation Commission operates under the authority of Public Act 261 of 1965 of the Public Acts of the State of Michigan; and

WHEREAS, the County Board of Commissioners has reviewed and recommended approval of certain appropriations.

NOW, THEREFORE, BE IT RESOLVED: that the appropriation of these parks and recreation millage funds for 2000 is as follows:

REVENUE

404	Current Property Tax	2,045,500	
414	Delinquent Taxes	1,000	
415	Personal Property Taxes	4,000	
540	State Grant – General	1,828,000	
541	Single Business Tax	36,000	
607	Fees	10,000	
665	Interest	40,000	
667	Rents	3,000	
669	Equipment Rental	6,000	
677	Other Reimbursements	1,000	
690	Local Private Grants	2,500	
699	County Appropriation	<u>116,837</u>	
	TOTAL REVENUE:		<u>4,093,837</u>

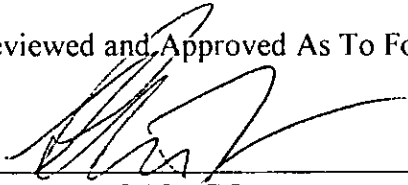
EXPENDITURES

703	Salaries & Wages, Supvsy.	52,566	
704	Salaries & Wages, Perm.	148,397	
705	Salaries & Wages, Temporary	10,000	
706	Salaries & Wages, Overtime	300	
709	Longevity	3,000	
714	Employer's Medicare	3,107	
715	Employer's Social Security	13,285	
716	Hospitalization Insurance	35,800	
717	Life Insurance	719	
718	Retirement Contribution	26,554	
719	Dental Insurance	3,450	
721	Disability Insurance	20	
722	Unemployment Insurance	20	
723	Worker's Compensation	<u>2,142</u>	299,360
727	Office Supplies	13,000	
728	Books and Bulletins	100	
731	Repair & Maint. Supplies	12,000	
732	Operating Supplies	<u>20,000</u>	45,100


801	Professional	150,000	
850	Communications	2,500	
860	Travel-Mileage	2,500	
861	Travel-Other	5,000	
884	Local Unit Distribution	511,375	
900	Printing and Binding	10,000	
903	Private Grant Expenditures	2,000	
920	Utilities	28,000	
926	Tax Tribunal Refunds	2,000	
930	Repairs & Service	10,000	
931	Building Repair & Service	7,000	
953	Cost Allocation	54,895	
955	Miscellaneous	2,000	
958	Education & Training	<u>1,000</u>	788,270
980	Office Equipment	5,000	
988	Other Equipment	<u>3,280,485</u>	<u>3,285,485</u>
	TOTAL EXPENDITURES:		<u>4,418,215</u>

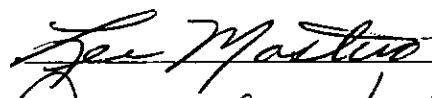
DATED: December 1, 1999

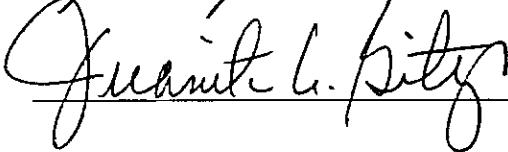
Reviewed and Approved As To Form By:



 PETER R. GEORGE
 County Corporation Counsel
 301 County Building
 Port Huron, MI 48060







RESOLUTION 99-48

APPROPRIATING DRUG TASK FORCE MILLAGE FUNDS FOR 2000

WHEREAS, the citizens of St. Clair County voted approval of a special millage levy for establishment of a Drug Task Force for a period of three years; and

WHEREAS, the Board of Commissioners has reviewed and recommended approval of certain appropriations.

NOW, THEREFORE, BE IT RESOLVED: That the appropriation of Special Millage Funds for 2000 is as follows:

REVENUE

404	Current Property Taxes	1,158,164	
515	Personal Property Taxes	2,000	
541	Single Business Tax	20,518	
662	Forfeitures	25,000	
665	Interest	25,000	
691	Miscellaneous	<u>100</u>	
	TOTAL REVENUE:		<u>1,230,782</u>

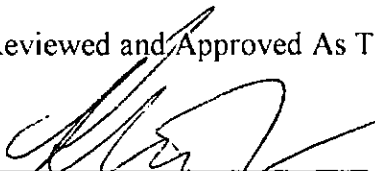
EXPENDITURES

704	Salaries & Wages, Perm.	435,827	
705	Salaries & Wages, Temp.	-	
706	Salaries & Wages, Overtime	70,000	
709	Longevity	14,050	
714	Employer's Medicare	7,534	
715	Employer's Social Security	32,218	
716	Hospital Insurance	47,200	
717	Life Insurance	1,250	
718	Retirement Contribution	66,650	
719	Dental Insurance	6,000	
721	Disability Insurance	50	
722	Unemployment Insurance	50	
723	Worker's Compensation	<u>5,199</u>	
			686,028
727	Office Supplies	6,000	
732	Operating Supplies	10,000	
741	Uniforms	<u>4,500</u>	
			20,500
801	Professional & Contractual	95,600	
813	Investigations	45,000	
850	Communications	31,000	
860	Travel-Mileage	500	
861	Travel-Other	30,000	
910	Insurance and Bonds	135	
920	Utilities	44,000	
926	Tax Tribunal Refunds	1,000	
930	Repairs & Service	15,000	
940	Equipment Rental	55,000	
953	Cost Allocations	41,819	
955	Miscellaneous	100	
958	Education & Training	<u>7,000</u>	
			366,154


988	Other Equipment	25,000
997	Other Transfers Out	<u>178,931</u>
	TOTAL EXPENDITURES:	<u>1,276,613</u>

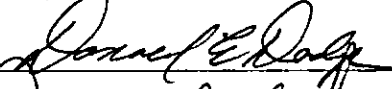
DATED: December 1, 1999

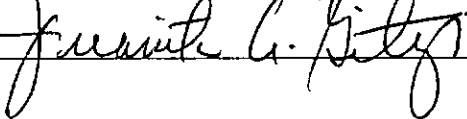
Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







RESOLUTION 99-47

REGARDING MARINE ENFORCEMENT PROGRAM

WHEREAS, the St. Clair County Sheriff's Department, for the past several years, has had a Marine Enforcement Program, pursuant to Act 245 of the Public Acts of 1959, as amended; and

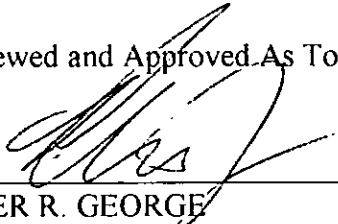
WHEREAS, the St. Clair County Board of Commissioners recommends that the Sheriff's Marine Enforcement Program be continued and that the necessary funds be appropriated therefor.

NOW, THEREFORE, BE IT RESOLVED:


- 1) That the St. Clair County Administrator/Controller be authorized and empowered to allocate such funds as are necessary for said 2000 Marine Enforcement Program in an amount not to exceed \$ 259,519.
- 2) All resolutions and parts of resolutions in conflict with this Resolution, are, to the extent of the conflict, hereby rescinded.

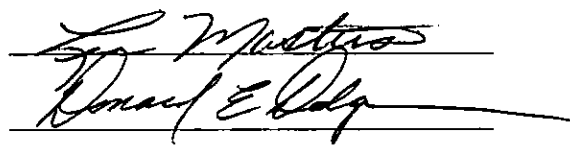
DATED: December 1, 1999

Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060





DONALD E. DELP

RESOLUTION 99-46

REGARDING FUNDING FOR CUSTODY AND PARENTING
TIME ACTIVITIES

WHEREAS, the Michigan Friend of the Court system faces serious funding restrictions in relation to funding of non IV-D activities; and

WHEREAS, the Federal waiver that has supported custody and parenting time enforcement, mediation, and investigations expired on October 1, 1999, resulting in a loss of at least \$10 million to the State of Michigan; and

WHEREAS, it is anticipated that this loss will be passed on by the State to the local units of government that will result in a decrease in funding of at least \$150,000 to the St. Clair County Friend of the Court; and

WHEREAS, the loss of funding will result in non IV-D mandated services being severely cut or the County will need to bear the burden of these expenses; and

WHEREAS, the loss of funding of these services by the Friend of the Court will negatively impact the ability of parents to have access to their children for parenting time in domestic relations cases; and

WHEREAS, statistics have shown that regular access to both parents creates a positive influence on a child's feeling of self-worth, enhancing his/her productivity in school and life; and

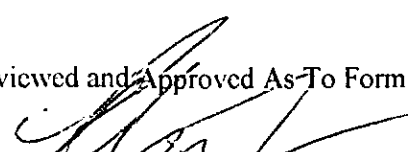
WHEREAS, statistics have further shown that regular access to their children greatly increases the likelihood of the non-custodial parent to pay regular support payments and to provide health insurance, thereby reducing the burden on the taxpayers of the State of Michigan.

NOW, THEREFORE, BE IT RESOLVED, that the St. Clair County Board of Commissioners requests that the Legislature amend the Family Independence Agency budget to include a line item to fund non IV-D mandated services to all Friend of the Court offices in the State of Michigan.


BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to Governor John Engler, State Senator Dan DeGrow, State Representatives Lauren Hager and Judson Gilbert, the Michigan Association of Counties, and the remaining 82 counties in the State of Michigan.

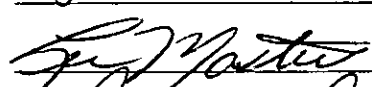
DATED: December 1, 1999

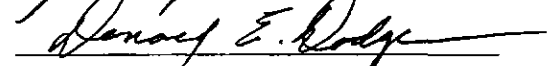
Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







RESOLUTION 99-45

**APPROVING COOPERATIVE REIMBURSEMENT IV-D PROGRAM AGREEMENT
FOR THE ST. CLAIR COUNTY PROSECUTING ATTORNEY FOR YEAR 2000**

WHEREAS, the Michigan Family Independence Agency proposes to renew its "Cooperative Reimbursement (IV-D) Program" wherein direct grants are made to the counties under the provisions and in accordance with Title IV-D of the Social Security Act, as amended, and the provisions of part 302.34 and 304, Chapter III, Title 45, Code of Federal Regulations for the purpose of staffing sufficient personnel to assist in the collection of money for recipients of the A.D.C. Program, and other service programs, as well as certain services rendered by the Prosecuting Attorney's Office; and

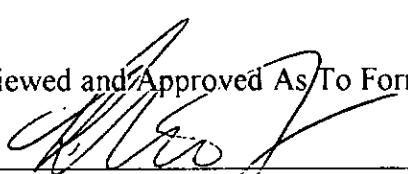
WHEREAS, payment shall be made on the basis of the program budget, a copy of which is attached hereto and made part hereof, provided that no more than One Hundred Ninety Nine Thousand Seven Hundred Sixty and no/100ths (\$199,760.00) Dollars shall be paid from combined County and State funds during the life of this agreement and provided further that Fifty Thousand Fifty Six and no/100ths (\$50,056.00) Dollars of the above amount is the County's appropriation contributed to Title IV-D Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

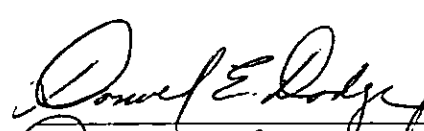
1. The St. Clair County Board of Commissioners does hereby approve the execution of the Cooperative Reimbursement Program agreement between the Prosecuting Attorney for the County of St. Clair and the Michigan Family Independence Agency.
2. The Chairperson of this Board is hereby authorized to execute said agreement for and on behalf of St. Clair County.
3. All resolutions and parts of resolutions, insofar as the same conflict with the provisions of this resolution be, and the same are hereby rescinded.

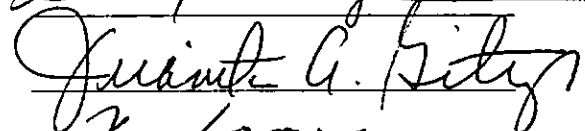
DATED: November 10, 1999

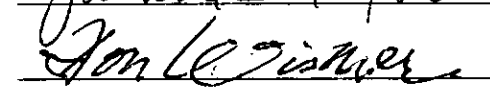
Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







Contract No:	CS/PA-00-74002
Amount:	\$199,760.00
Index Code:	93100
Prog Cost Acct (PCA):	81135
Agency Object Code:	6155
Commodity Code:	FTR 1002
Federal I.D.#:	38-6006420
Mail Code:	021
Method of Payment:	Actual Cost
TANF Funds:	None

AGREEMENT
between
FAMILY INDEPENDENCE AGENCY
and
THE COUNTY OF ST CLAIR

This Agreement, effective the first day of October 1999 and ending the thirtieth day of September 2000, is by and between the **Family Independence Agency**, having a mailing address of 235 S. Grand Avenue, P.O. Box 30037, Lansing, Michigan 48909 (hereinafter referred to as "FIA"), the **County of ST CLAIR**, a public organization, having a mailing address of 201 McMorran Blvd., Port Huron, MI 48060, (hereinafter referred to as "Contractor"), and the **Prosecuting Attorney** for the County (hereinafter referred to as "Prosecutor").

WHEREAS, FIA is authorized to contract with State or local units of government and private agencies under the provisions of MCLA 400.10; and,

WHEREAS, FIA has the authority to enter into a Cooperative Agreement under and in accordance with policies established by FIA, as well as under and in accordance with Title IV-D of the Social Security Act as amended and the provisions of part 302.34 and 304, Chapter III, Title 45, Code of Federal Regulations; and

WHEREAS, FIA is desirous of purchasing services, and the Contractor and Prosecutor desire to provide services in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the above, and in consideration of the promises and mutual covenants hereinafter contained, the parties hereto agree as follows:

I. GENERAL PROVISIONS

A. FIA's Source of Funds-Termination

FIA's payment of funds for purposes of this Agreement is subject to and conditional upon the availability of funds for such purposes, being Federal and/or State funds. No commitment is made by FIA to continue or expand such activities. FIA may terminate this Agreement immediately upon written notice to the Contractor and Prosecutor at any time prior to the completion of this Agreement if, in the opinion of FIA, funding becomes unavailable for this service or such funds are restricted.

B. Civil Service Rules and Regulations

The State of Michigan is obligated to comply with Article XI Section 5 of the Michigan constitution and applicable civil service rules and regulations. Other provisions to this Agreement notwithstanding, the state personnel director is authorized to disapprove contractual disbursements for personal services if the state personnel director determines that the contract violates Article XI Section 5 of the Michigan constitution or applicable civil service rules and regulations.

C. Fees and Other Sources of Funding

The Contractor and Prosecutor guarantee that any claims made to FIA under this Agreement shall not be financed by any source, including client fees, other than FIA under the terms of this Agreement. If funding is received through any other source, the Contractor and Prosecutor agree to delete from Contractor and Prosecutor billings, or to immediately refund to FIA, the total amount representing such duplication of funding.

D. Review and Monitoring Reports

The Contractor and Prosecutor shall comply with all program and fiscal reporting procedures at time intervals and on specified forms as established by the FIA on the beginning date of this Agreement. Any additional reports which the FIA proposes to be completed shall be completed pursuant to agreement by the parties to this Agreement. Reports or billing documents denoting event dates shall record month, day, and year as specified by FIA. In all electronic filings, four digits shall be used to designate century.

E. Examination and Maintenance of Records

The Contractor and Prosecutor shall permit FIA or any of its identified agents access to the facilities being utilized at any reasonable time to observe the operation of the program. Further, the Contractor and Prosecutor shall retain all books, records or other documents relevant to this Agreement for five (5) years after final payment, at

their cost, and Federal auditors and any persons duly authorized by FIA shall have full access to and the right to examine and audit any of said material during said period. If an audit is initiated prior to the expiration of the five-year period, and extends past that period, all documents shall be maintained until the audit is completed. FIA shall provide findings and recommendations of audits to the Contractor and Prosecutor. FIA shall adjust future payments or final payment if the findings of an audit indicate over or under payment to the Contractor and Prosecutor in the period prior to the audit. If no payments are due and owing the Contractor and Prosecutor, the Contractor and Prosecutor shall immediately refund all amounts which may be due FIA.

F. Compliance with Civil Rights, Other Laws

The Contractor and Prosecutor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status pursuant to 1976 P.A. 453, Section 209. The Contractor and Prosecutor shall also comply with the provisions of the Michigan Handicappers Civil Rights Act, 1976, P.A., 220 and Section 504 of the Federal Rehabilitation Act of 1973, P.L. 93-112, 87 Stat. 394, which states that no employees or client or otherwise qualified handicapped individual shall, solely by reason of handicap, be excluded from participation, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. The Contractor and Prosecutor shall comply with the Americans with Disabilities Act of 1990 (ADA), P.L. 101-336, 104 Stat. 328, which prohibits discrimination against individuals with disabilities and provides enforcement standards. Further, the Contractor and Prosecutor shall comply with all other federal, state or local laws, regulations and standards, and any amendments thereto, as they may apply to the performance of this Agreement.

G. Royalties and Copyright

FIA reserves a royalty-free nonexclusive license to use and authorize others to use all written or visual material or other work products developed in connection with this Agreement, including all copyrightable or copyrighted materials.

H. Confidentiality

The use or disclosure of information concerning clients obtained in connection with the performance of this Agreement shall be restricted to purposes directly connected with the administration of the programs implemented by this Agreement and as required by federal regulations and state statute.

I. Property Title

Title to all Non-Child Support Enforcement System (CSES) property, real or personal, furnished by FIA for use by the Contractor and Prosecutor in the performance of this Agreement shall remain in FIA. Upon expiration of this Agreement or any extension thereof, the Contractor and Prosecutor agree to return said property to FIA or pay the then current fair market value thereof to FIA. However, in the event that any such property is only partially funded by FIA, the Contractor or Prosecutor shall return said property to FIA or pay FIA that portion of the current fair market value of such item which is in the same percentage as FIA's contribution to the original purchase price. Where property in which FIA has an interest is traded for other property, the Contractor and Prosecutor shall maintain continuing records to account for FIA's financial interest in such subsequent acquisitions.

J. Subcontracts

The Contractor or Prosecutor shall not assign this Agreement or enter into subcontracts, which will be paid in whole or part using money received through this Agreement without obtaining prior written approval of FIA. FIA, as a condition of granting such approval, shall require that such assignees or subcontractors shall be subject to all conditions and provisions of this Agreement. The Contractor and Prosecutor shall be responsible for the performance of all assignees or subcontractors, and shall ensure the subcontracted agents comply with all provisions of this Agreement.

K. Cancellation of Agreement

FIA reserves the right to cancel this Agreement by giving thirty (30) calendar days written notice to the Contractor and Prosecutor. The Contractor or Prosecutor may terminate this Agreement upon thirty (30) calendar days written notice to FIA at any time prior to the completion of the Agreement period.

L. Closeout/Extension

When this Agreement is concluded or terminated, the Contractor and Prosecutor shall provide FIA, within sixty (60) calendar days after conclusion or termination, with all financial, performance and other reports required as a condition of the Agreement, unless written extension is granted by FIA for extenuating circumstances.

FIA shall make payments to the Contractor for allowable reimbursable costs not covered by previous payments. The Contractor shall immediately refund to FIA any payments or funds advanced to the Contractor in excess of allowable reimbursable expenditures.

M. Continuing Responsibilities

Termination, conclusion, or cancellation of this Agreement shall not be construed so as to terminate the ongoing responsibilities of the Contractor or Prosecutor or rights of FIA contained in Section I, **Examination and Maintenance of Records and Closeout/Extensions** of this Agreement.

N. Dispute Resolution

1. Local Resolution

All parties agree to make a good faith attempt to resolve disputes. Resolution of any dispute shall first be attempted at the local level by County Contractor, Prosecuting Attorney (PA), Friend of the Court and FIA's Office of Child Support (OCS) District Managers, as appropriate.

2. Second Stage Resolution

If it appears a dispute cannot be resolved at the local level, the aggrieved party shall notify the other parties and the Director of the Office of Child Support, in writing, regarding the nature of the dispute and the efforts made toward resolution. Within sixty (60) calendar days of this notification, the parties and the OCS Director or designees shall meet to attempt resolution of the dispute.

3. Formal Notice of Intent

The Contractor and Prosecutor shall notify FIA in writing of their intent to pursue a claim against FIA for breach of any terms of this Agreement. No suit may be commenced by the Contractor or Prosecutor for breach of this Agreement prior to the expiration of ninety (90) calendar days from the date of such notification. Within this ninety (90) day period, the Contractor and Prosecutor, at the request of FIA, must meet with the Director of FIA or designee for the purpose of attempting resolution of the dispute. Formal Notice of Intent action shall not be commenced until resolution has been initiated as described in 1 and 2 above. However, these paragraphs do not restrict the right to invoke and cancel under Section I, **Cancellation of Agreement**.

4. Continuation of Services and Payment

Prior to commencement and during the pendency of a dispute or a suit for breach of this Agreement, services shall continue to be provided by the Prosecutor as set forth in this Agreement and payment for such services by FIA shall continue without interruption, except as provided in Section III, **Payment** of this Agreement.

O. Amendment

This Agreement may be amended, at the request of any party, only by the written consent of all the parties hereto, except as otherwise provided in this Agreement. If the Contractor or Prosecutor refuses to sign such amendment, FIA may terminate this Agreement at the end of sixty (60) calendar days from the date of request to amend. The Contractor and Prosecutor shall suffer no liability to FIA for refusing to agree to said amendment, and said refusal shall not constitute a breach of this Agreement.

P. Termination - Unfair Labor Practice

FIA may void this contract upon fifteen (15) days notice if the name of the Contractor or Prosecutor, or the name of a subcontractor, manufacturer, or supplier of the Contractor or Prosecutor, subsequently appears in the register compiled pursuant to Section 2 of Act 278, P.A. 1980. This Act prohibits the State from entering into contracts with certain employers who engage in unfair labor practices; to prohibit those employers from entering into certain contracts with others; to provide for the compilation and distribution of a register of those employers; and to provide for the voiding of certain contracts.

Q. Audit Requirements

Contractors who receive a total of \$300,000 or more in federal funds from one or more funding sources in a fiscal year as subrecipients shall comply with the requirements of the Federal Office of Management and Budget (OMB) Circular A-133.

As defined in OMB Circular A-133, the contractor shall submit two copies of:

- Data Collection Forms
- Audit Report

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in this circular.

Contractors receiving less than \$300,000 in federal funds must submit a letter to FIA advising that a circular audit was not required. The letter shall identify the year, the name of FIA federal programs, and the CFDA grant number(s). This information and the audit reports shall be submitted to:

Attn.: Audit Liaison
Office of Internal Audit
Family Independence Agency
Grand Tower -- Suite 1112
235 South Grand Avenue
P.O. Box 30037
Lansing, Michigan 48909

This contract is funded in part through the federal program(s) listed below. The Catalog of Federal Domestic Assistance number (CFDA#) for each federal program as well as the percentage of Federal Financial Participation (FFP) is indicated also.

<u>CFDA#</u>	<u>PROGRAM TITLE</u>	<u>%FFP</u>
93.563	Child Support Enforcement	66%

FIA imposes no other audit requirements on subrecipient contractors. The Contractor shall not charge audit cost to FIA programs which are not in accordance with the aforementioned requirements.

All contractors are subject to federally required monitoring which may include limited scope reviews and other on-site monitoring. The cost of monitoring, both financial and program, will be paid by FIA.

For Vendors

Contractors not identified as subrecipient will be considered vendors for audit reporting purposes. Vendors serving the following program areas are required to submit annual/audited financial statements: Adoption and Children's Foster Care.

There are no other audit requirements for vendors, however, FIA reserves the right to request reports to conduct on-site audits for review at anytime.

R. Agreement Inclusiveness

This Agreement with the previously mutually approved Application incorporated by reference and made a part hereof, is intended by the parties as the complete and final expression of their agreement with respect to the terms included herein, and may not be contradicted by evidence of any prior contemporaneous agreement, oral or otherwise.

S. Reporting of Retiree Employment

ALL OTHER CONTRACT PROVISIONS NOTWITHSTANDING, the Contractor and Prosecutor shall provide written notification to FIA of entering into a contractual relationship with any employee who retired from the State of Michigan using the early retirement program authorized by P.A. 487 of 1996. This notification shall be submitted to the Office of Contracts and Rate Setting (OCRS) within 15 days of signing this Agreement or of entering into a contractual relationship with any retiree under P.A. 487 of 1996. The Contractor and Prosecutor must report the retired employee's name, social security number and work site. For purposes of this Agreement, the Contractor and Prosecutor are limited to an aggregate of 500 hours of

services provided by an early retiree under P.A. 487 of 1996. This provision only applies during a 24 month period after the date of retirement. Exclusion and disallowance of all payroll costs related to such employees shall occur under the following circumstances:

1. Failure of the Contractor or Prosecutor to notify OCRS within the allotted time period. Exclusion and disallowance of costs shall be for the period from beginning of services up to the time that proper notification is received by OCRS.
2. Failure of the Contractor or Prosecutor to enforce the 500 hour limitation of service provision by the early retiree.

T. Continuity of Service

Each party agrees that they will use due diligence to insure that services to FIA or its clients will not be disrupted by technology problems originating in equipment which processes chronological dates which are within the control of the party. As used in this paragraph, the word equipment includes, but is not limited to, computer hardware and software, and includes date processing devices embedded in other objects used by the Contractor and the Prosecutor to provide client services. The Contractor and the Prosecutor agree that the contract is subject to cancellation if FIA or its client services are unreasonably disrupted by the inability of equipment used by the Contractor and the Prosecutor to accurately process dates before, during or after the year 2000. This paragraph shall not apply to a failure caused by computer hardware or software provided by the State of Michigan, and its departments and/or agencies, to the Contractor and the Prosecutor for use in the delivery of services pursuant to this contract.

II. CONTRACTOR AND PROSECUTOR DUTIES AND RESPONSIBILITIES

A. Services

As a subrecipient of Federal Financial Assistance, the Contractor through the Prosecuting Attorney shall:

1. Make IV-D services available to all eligible persons.
2. Make every effort to establish paternity and secure orders as needed for the purpose of child support on behalf of children born in or out of wedlock as provided by law.
3. Comply with the requirements of Title IV-D of the Social Security Act, implementing applicable federal regulations and requirements, in providing legal representation in child support cases.

4. Achieve compliance through this Agreement and the IV-D Program Prosecuting Attorney Handbook, which is incorporated into this Agreement by reference.

B. Reports

The Contractor and Prosecutor shall prepare, complete and submit the following reports in the cycles indicated, to the units named:

1. **Form:** FIA-286 - Title IV-D Cooperative Reimbursement Expenditure Report, including appropriate time documentation.

Cycle: Due by the fifteenth (15) working day after month of service
To: District Contract Manager
Office of Child Support
Local County Family Independence Agency
2. **Form:** FIA-285 - Prosecuting Attorney's Quarterly Report
Cycle: Due by the tenth (10) working day after the end of the quarter
To: Family Independence Agency
Office of Child Support - Lansing
3. **Form:** FIA-1856 - Title IV-D Support Referral, also known as Court Action Referral
Cycle: Respond in writing when action on case completed; (dismissal or order)
To: Local Support Specialist

C. Client Grievance System

Each Prosecutor shall have a written office grievance system which provides the opportunity to seek relief for those who believe they have not received services required by the IV-D program, or believe the services they have received are not in accordance with IV-D regulations. Information about the grievance system shall be provided to clients or FIA upon request.

D. Statewide Automated System

The Contractor and Prosecutor agree to cooperate in meeting the federal requirement of a statewide automated system using the Child Support Enforcement System which processes intra- and inter- state data in accordance with IV-D regulations, statutes, policies and procedures for establishing paternity, enforcing support orders and complies with all IV-D, CSES, OCS and FIA reporting requirements.

E. Applicable Costs

The Contractor and Prosecutor, as subrecipients of Federal Financial Assistance, agree to abide by applicable provisions of the Cost Principles for State and Local Governments issued by the Federal Office of Management and Budget Circular No. A-87. This Circular provides cost principles to be used in determining the availability of Federal Financial Assistance for Child Support Enforcement activities under Title IV-D of the Social Security Act. If any staff funded in part or in whole by IV-D funds do not work full time on IV-D matters, detailed time-records for such employees are required to document the amount of time spent on reimbursable activities; or an alternative method for calculating eligible expenditures may be used so long as the method accounts for specific costs incurred on behalf of cases receiving services under the IV-D state plan and is approved by FIA.

F. Billing Method

The Actual Cost Reimbursement Method shall be used to claim reimbursement under this Agreement. The Cooperative Reimbursement Budget is attached hereto and made a part of this Agreement. The Budget and Application detail the amount and object of expenditures for which the Contractor and Prosecutor shall use funds paid under this Agreement. The Contractor and Prosecutor shall follow and adhere to the Budget. Only actual costs may be billed. However, expenditures up to \$3,000 above the direct cost line item budget categories are permissible provided the sum of all expenditures does not exceed the total amount of the Agreement.

The Contractor and Prosecutor must obtain written approval from FIA to increase or decrease line items in the budget by more than \$3,000. The Contractor's and Prosecutor's request for FIA's approval must contain sufficient information to allow FIA to identify which budget line items are to be increased, which line items are to be decreased, the reason for change, the programmatic impact of the budget changes and must stay within the originally approved budget total. The person authorized to approve budget revisions is the Director of the Office of Child Support.

Actual costs may include the cost of fringe benefits provided for the Contractor and Prosecutor's employees funded by this Agreement, in the same proportion as those employees are engaged in IV-D reimbursable activities. Further, those fringe benefits shall be no greater than fringe benefits provided to similar non-IV-D employees. Fringe benefits may include longevity, vacation, personal leave, holiday, sick leave, medical, dental, optical, life insurance, disability insurance, retirement, social security, workers compensation, and unemployment insurance.

G. Billing Procedure

The Contractor and Prosecutor shall submit a monthly "Title IV-D Cooperative Reimbursement Expenditure Report," (Form FIA-286) detailing program-related

expenditures. The FIA-286 shall indicate actual costs by category of expense in the performance of this Agreement for the period being billed. The FIA-286 shall be submitted within fifteen (15) working days from the end of the monthly billing period to the District Contract Manager. For the month of September, billings shall be submitted as directed by FIA to meet fiscal year-end deadlines.

III. FIA DUTIES AND RESPONSIBILITIES

A. Program Administration

FIA, as a recipient of Federal Financial Assistance, shall administer the Title IV-D program in Michigan, and shall maintain the approved Title IV-D State Plan consistent with federal requirements. FIA shall distribute program regulations, forms and instructions to the Contractor and Prosecutor through the IV-D Program Prosecuting Attorney Handbook and Prosecuting Attorney Letter Series.

B. Payment

FIA shall complete its processing of payments to the Contractor within thirty (30) calendar days after receipt of the Contractor's monthly FIA-286, "Title IV-D Cooperative Reimbursement Expenditure Report," detailing program related expenditures. Payments shall be made in accordance with the budget attached to and made part of this Agreement. For FIA-286's submitted after the due date FIA reserves the right to delay processing and payment to the next available cycle.

FIA reserves the right to defer or disallow payment of any claim submitted by the Contractor and Prosecutor for failure to document and provide records, statistics, and reports to FIA as required by this Agreement or as are required by applicable state statutes and federal regulations. For the FIA-286's submitted after the due date, FIA reserves the right to delay processing and payment to the next available cycle.

C. Program Compliance Monitoring and Evaluation

FIA shall monitor and evaluate Prosecutor performance for compliance with Federal Title IV-D Program regulations and the terms of this Agreement. Performance compliance shall be measured against the IV-D Program Prosecuting Attorney Handbook and federal program standards established to ensure that program services are administered effectively and efficiently. FIA shall request corrective action when a program compliance evaluation indicates areas of substantial noncompliance.

D. Maximum Amount of Agreement

The maximum amount of this Agreement as appropriated by the Contractor is **ONE HUNDRED NINETY-NINE THOUSAND SEVEN HUNDRED SIXTY AND NO/100 DOLLARS (\$199,760.00)**. The maximum amount of costs to be reimbursed by FIA shall be the State share of actual expenditures during the life of this Agreement up to the maximum of the Title IV-D program net budget, a copy of which is attached hereto and made a part hereof.

IN WITNESS WHEREOF, FIA and Contractor have caused this Agreement to be executed by their respective officers duly authorized to do so.

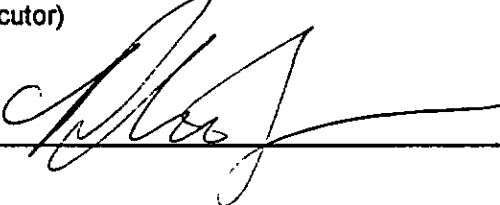
The Undersigned have the lawful authority to bind the Contractor and the Prosecutor to the terms set forth in this Agreement.

CONTRACT NO: CS/PA-00-74002

Dated at Port Huron, Michigan

PROSECUTING ATTORNEY
(Prosecutor)

this 20th day of October, 1999

By: 

Witness: Christine M. Walker

Print Name: Peter R. George
(Prosecuting Attorney)

Dated at _____, Michigan

THE COUNTY OF ST CLAIR
(Contractor)

this _____ day of _____, 19____

By: _____

Witness: _____

Print Name: _____
(Chairperson, Board of Commissioners)

Dated at _____, Michigan

FAMILY INDEPENDENCE AGENCY

this _____ day of _____, 19____

By: _____
(Douglas E. Howard, Director, or designee)

Witness: _____

TITLE IV REIMBURSEMENT CONTRACT ALLOCATION

A. CONTRACT DESCRIPTION

COUNTY: ST. CLAIR

PROVIDER: PROSECUTING ATTORNEY

FUNDING YEAR 2000

CONTRACT NO.

CS/PA 00 74002

COLUMN I	COLUMN II	COLUMN III
	PROPOSED IV-D BUDGET	PROVIDER'S TOTAL ELIGIBLE BUDGET
B. ALLOCATION FACTORS		
1. Total FTE Positions (FOC, PA, COMB)	3.24	28
A. Enforcement (FOC & COMB)	NOT APPLICABLE	
B. Parenting Time & Custody (FOC & COMB)	NOT APPLICABLE	
2. % of Total FTE's (IV-D Allocation Factor)	11.57%	100.00%
A. Enforcement (FOC & COMB)	NOT APPLICABLE	
B. Parenting Time & Custody (FOC & COMB)	NOT APPLICABLE	
3. Caseload % (FOC & COMB)		100.00%
C. BUDGET CATEGORIES	PROPOSED IV-D BUDGET	PROVIDER'S TOTAL ELIGIBLE BUDGET
1. Personnel	\$ 157,558	\$1,195,880
2. Data Processing	\$ -	\$0
3. Other Direct	\$ 20,049	\$137,438
4. Central Services	\$ 20,980	\$181,329
5. Paternity Testing (PA/COMB Only)	\$ 2,000	\$2,000
6. Total Budget	\$ 200,587	\$ 1,516,647
7. Service Fees (FOC & COMB Only)	\$0	
8. Mediation Fees (FOC & COMB)	NOT APPLICABLE	
9. Other Income (Describe)	\$827	
10. Net Budget	\$199,760	\$1,516,647
11. County Share \$	\$50,056	
12. County Share %	25.06%	
13. State Share \$	\$149,704	
14. State Share %	74.94%	
15. County Share of #5 (PA & Comb. Only)	Zero	
16. Total State Funding (Same as Line #13)	\$ 149,704	

RESOLUTION 99-44

**ESTABLISHING SALARIES OF SPECIFIC CLASSIFICATIONS
SUBJECT TO THE WAGE GRADE PLAN FOR 2000**

WHEREAS, the St. Clair County Board of Commissioners has responsibility to establish the salary levels of all classifications subject to the Wage Grade Plan; and

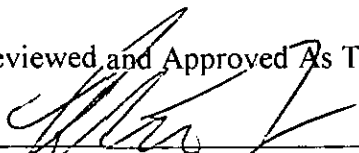
WHEREAS, the St. Clair County Board of Commissioners at a Special Budget Work Session, has reviewed and evaluated the compensation of said Wage Grade Plan classifications, and recommended the action specified herein to the full Board of Commissioners, and the board concluding that said action is due and appropriate.

NOW, THEREFORE, BE IT RESOLVED:


- 1) That the Wage Grade levels of classifications subject to the Wage Grade Plan, be, and the same hereby are established as specified in Exhibit "A" attached hereto, and made a part hereof by reference.
- 2) That the Wage Grade levels herein shall be for one year (2000) effective January 1, 2000.
- 3) All resolutions and parts of resolutions in conflict with this resolution, are to the extent of the conflict, hereby rescinded.

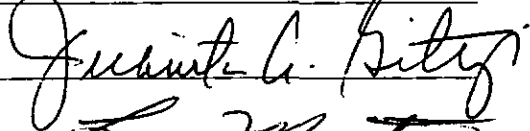
DATED: November 10, 1999


Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







JOB CLASS SELECTED- *ALL SELECTED YEAR 1999 INCREASE 2.50 % FOR YEAR 2000

STEP	# 1	# 2	# 3	# 4	# 5	# 6	# 7
GRADE							
070	20,580	20,988	21,408	22,264	23,154	24,078	25,042
071	20,805	21,221	21,643	22,509	23,408	24,344	25,318
072	21,030	21,450	21,880	22,753	23,662	24,609	25,594
073	21,256	21,681	22,114	22,998	23,918	24,873	25,870
074	21,484	21,911	22,350	23,243	24,171	25,137	26,144
075	21,711	22,143	22,585	23,488	24,428	25,405	26,420
076	21,936	22,373	22,821	23,734	24,681	25,668	26,695
077	22,163	22,604	23,055	23,979	24,937	25,934	26,971
078	22,389	22,835	23,292	24,222	25,191	26,197	27,246
079	22,615	23,066	23,527	24,467	25,445	26,461	27,520
080	22,839	23,296	23,761	24,712	25,700	26,726	27,795
081	23,066	23,527	23,995	24,955	25,952	26,990	28,071
082	23,293	23,757	24,232	25,201	26,208	27,256	28,344
083	23,520	23,988	24,467	25,445	26,461	27,519	28,619
084	23,745	24,219	24,705	25,691	26,718	27,786	28,899
085	23,972	24,450	24,938	25,935	26,972	28,050	29,174
086	24,198	24,680	25,173	26,180	27,228	28,316	29,450
087	24,424	24,912	25,411	26,428	27,481	28,581	29,724
088	24,649	25,142	25,644	26,669	27,735	28,844	29,998
089	24,875	25,374	25,880	26,914	27,990	29,110	30,274
090	25,102	25,602	26,113	27,156	28,244	29,372	30,548
091	25,329	25,834	26,350	27,403	28,498	29,637	30,822
092	25,554	26,064	26,584	27,647	28,751	29,902	31,096
093	25,781	26,295	26,820	27,893	29,008	30,168	31,375
094	26,007	26,526	27,056	28,138	29,263	30,431	31,650
095	26,233	26,757	27,291	28,382	29,516	30,697	31,925
096	26,458	26,987	27,525	28,627	29,771	30,961	32,200
097	26,684	27,218	27,761	28,871	30,024	31,226	32,476
098	26,911	27,450	27,998	29,116	30,282	31,491	32,751
099	27,138	27,681	28,233	29,362	30,536	31,757	33,027
100	27,363	27,910	28,467	29,604	30,789	32,019	33,299
101	27,591	28,140	28,702	29,851	31,044	32,283	33,576
102	27,816	28,372	28,938	30,096	31,300	32,551	33,854
103	28,042	28,603	29,174	30,339	31,554	32,814	34,127
104	28,267	28,832	29,409	30,585	31,807	33,079	34,403
105	28,493	29,064	29,643	30,830	32,061	33,343	34,677
106	28,719	29,293	29,880	31,074	32,316	33,609	34,951
107	28,947	29,524	30,115	31,318	32,571	33,872	35,227
108	29,173	29,755	30,350	31,563	32,825	34,138	35,502
109	29,400	29,986	30,586	31,808	33,080	34,404	35,780
110	29,626	30,215	30,819	32,053	33,335	34,667	36,054
111	29,851	30,448	31,054	32,299	33,589	34,932	36,329
112	30,077	30,677	31,291	32,542	33,844	35,197	36,605
113	30,302	30,908	31,527	32,787	34,097	35,461	36,880
114	30,529	31,138	31,762	33,032	34,353	35,724	37,155
115	30,756	31,368	31,997	33,277	34,606	35,990	37,430
116	30,982	31,601	32,231	33,521	34,861	36,255	37,704
117	31,209	31,830	32,467	33,765	35,114	36,519	37,980
118	31,435	32,061	32,703	34,008	35,370	36,783	38,254
119	31,660	32,293	32,938	34,254	35,625	37,050	38,532
120	31,886	32,523	33,171	34,498	35,878	37,311	38,804

STEP	# 1	# 2	# 3	# 4	# 5	# 6	# 7
GRADE							
121	32,111	32,753	33,408	34,744	36,132	37,577	39,080
122	32,339	32,985	33,643	34,987	36,386	37,842	39,355
123	32,565	33,214	33,877	35,233	36,643	38,106	39,631
124	32,791	33,446	34,114	35,478	36,896	38,371	39,905
125	33,018	33,676	34,348	35,721	37,150	38,636	40,182
126	33,244	33,907	34,585	35,967	37,404	38,902	40,457
127	33,469	34,138	34,820	36,213	37,661	39,166	40,735
128	33,695	34,368	35,056	36,458	37,915	39,430	41,008
129	33,920	34,600	35,291	36,701	38,168	39,696	41,282
130	34,148	34,831	35,525	36,945	38,422	39,960	41,558
131	34,374	35,060	35,760	37,190	38,677	40,224	41,831
132	34,600	35,291	35,996	37,435	38,932	40,489	42,109
133	34,827	35,522	36,232	37,680	39,187	40,754	42,385
134	35,053	35,753	36,467	37,924	39,442	41,017	42,659
135	35,278	35,983	36,701	38,168	39,696	41,282	42,935
136	35,504	36,214	36,938	38,415	39,951	41,550	43,212
137	35,729	36,444	37,173	38,659	40,206	41,813	43,486
138	35,957	36,676	37,407	38,905	40,459	42,077	43,759
139	36,184	36,907	37,645	39,150	40,715	42,344	44,035
140	36,409	37,137	37,878	39,391	40,967	42,605	44,311
141	36,637	37,366	38,114	39,637	41,223	42,870	44,585
142	36,862	37,599	38,349	39,882	41,476	43,134	44,859
143	37,089	37,828	38,585	40,128	41,732	43,402	45,136
144	37,312	38,059	38,820	40,371	41,986	43,665	45,412
145	37,538	38,289	39,056	40,619	42,241	43,929	45,687
146	37,765	38,520	39,290	40,862	42,495	44,196	45,963
147	37,991	38,751	39,526	41,106	42,750	44,458	46,237
148	38,217	38,982	39,762	41,352	43,004	44,724	46,516
149	38,444	39,211	39,998	41,597	43,259	44,989	46,789
150	38,670	39,443	40,230	41,841	43,512	45,254	47,064
151	38,897	39,674	40,466	42,083	43,766	45,517	47,337
152	39,121	39,904	40,702	42,329	44,023	45,783	47,612
153	39,347	40,135	40,937	42,574	44,278	46,049	47,890
154	39,574	40,366	41,174	42,819	44,532	46,311	48,163
155	39,800	40,595	40,249	43,064	44,786	46,576	48,440
156	40,026	40,829	41,644	43,309	45,041	46,841	48,714
157	40,253	41,057	41,879	43,552	45,296	47,108	48,992
158	40,479	41,288	42,115	43,798	45,549	47,371	49,267
159	40,706	41,519	42,350	44,042	45,803	47,637	49,541
160	40,930	41,749	42,584	44,287	46,057	47,899	49,814
161	41,156	41,981	42,818	44,531	46,310	48,162	50,089
162	41,383	42,211	43,052	44,774	46,567	48,428	50,365
163	41,609	42,441	43,289	45,021	46,820	48,693	50,640
164	41,836	42,672	43,525	45,265	47,075	48,958	50,917
165	42,062	42,903	43,759	45,511	47,329	49,223	51,191
166	42,288	43,133	43,994	45,754	47,585	49,489	51,468
167	42,515	43,365	44,232	46,000	47,838	49,752	51,741
168	42,739	43,594	44,467	46,244	48,094	50,016	52,017
169	42,965	43,826	44,702	46,488	48,346	50,280	52,290
170	43,192	44,056	44,936	46,732	48,600	50,545	52,566
171	43,418	44,287	45,172	46,979	48,858	50,811	52,844

JOB CLASS SELECTED- *ALL SELECTED YEAR 1999 INCREASE 2.50 % FOR YEAR 2000

STEP	# 1	# 2	# 3	# 4	# 5	# 6	# 7
GRADE							
172	43,646	44,517	45,405	47,223	49,111	51,075	53,118
173	43,871	44,749	45,643	47,468	49,366	51,340	53,394
174	44,098	44,979	45,878	47,713	49,620	51,604	53,669
175	44,324	45,211	46,113	47,957	49,875	51,869	53,945
176	44,549	45,440	46,348	48,202	50,130	52,135	54,219
177	44,774	45,671	46,582	48,446	50,384	52,399	54,494
178	45,002	45,903	46,819	48,692	50,639	52,663	54,768
179	45,227	46,133	47,055	48,936	50,894	52,929	55,047
180	45,454	46,361	47,288	49,181	51,146	53,193	55,320
181	45,680	46,593	47,524	49,423	51,401	53,456	55,594
182	45,907	46,824	47,760	49,670	51,656	53,721	55,870
183	46,133	47,055	47,996	49,915	51,910	53,987	56,145
184	46,358	47,285	48,231	50,158	52,166	54,252	56,422
185	46,583	47,516	48,466	50,404	52,419	54,517	56,696
186	46,811	47,746	48,702	50,648	52,674	54,780	56,971
187	47,036	47,978	48,936	50,894	52,929	55,046	57,247
188	47,263	48,208	49,173	51,138	53,185	55,310	57,523
189	47,489	48,439	49,408	51,384	53,439	55,576	57,799
190	47,716	48,668	49,641	51,628	53,691	55,839	58,071
191	47,942	48,901	49,878	51,871	53,947	56,103	58,348
192	48,167	49,131	50,111	52,117	54,201	56,369	58,623
193	48,393	49,362	50,348	52,362	54,455	56,634	58,899
194	48,620	49,592	50,584	52,605	54,709	56,899	59,175
195	48,845	49,823	50,820	52,851	54,965	57,161	59,449
196	49,072	50,054	51,054	53,096	55,219	57,428	59,726
197	49,298	50,284	51,290	53,341	55,474	57,693	60,000
198	49,525	50,515	51,526	53,586	55,728	57,959	60,275
199	49,751	50,746	51,761	53,830	55,983	58,221	60,550
200	49,976	50,975	51,995	54,075	56,238	58,487	60,825
201	50,202	51,206	52,231	54,319	56,490	58,751	61,099
202	50,429	51,438	52,465	54,564	56,745	59,015	61,380
203	50,654	51,670	52,703	54,810	57,003	59,284	61,654
204	50,881	51,900	52,938	55,056	57,257	59,548	61,931
205	51,108	52,129	53,171	55,299	57,512	59,812	62,203
206	51,335	52,361	53,408	55,543	57,765	60,076	62,479
207	51,561	52,591	53,641	55,790	58,020	60,341	62,754
208	51,785	52,821	53,878	56,033	58,275	60,606	63,030
209	52,012	53,053	54,115	56,279	58,530	60,870	63,306
210	52,238	53,284	54,350	56,524	58,785	61,137	63,583
211	52,464	53,513	54,584	56,769	59,040	61,401	63,855
212	52,690	53,746	54,820	57,014	59,292	61,665	64,132
213	52,917	53,977	55,055	57,255	59,547	61,929	64,406
214	53,144	54,206	55,291	57,501	59,800	62,194	64,681
215	53,370	54,437	55,525	57,746	60,056	62,457	64,955
216	53,594	54,666	55,760	57,989	60,310	62,723	65,229
217	53,821	54,896	55,995	58,235	60,565	62,988	65,508
218	54,047	55,129	56,232	58,482	60,820	63,254	65,783
219	54,273	55,358	56,467	58,788	61,076	63,519	66,060
220	54,499	55,590	56,701	58,970	61,329	63,783	66,333
221	54,725	55,819	56,938	59,215	61,584	64,047	66,609
222	54,953	56,052	57,172	59,460	61,838	64,312	66,885

STEP	# 1	# 2	# 3	# 4	# 5	# 6	# 7
GRADE							
223	55,179	56,283	57,408	59,703	62,090	64,576	67,158
224	55,403	56,513	57,645	59,950	62,348	64,842	67,434
225	55,630	56,742	57,879	60,192	62,601	65,104	67,709
226	55,856	56,974	58,113	60,437	62,856	65,370	67,985
227	56,083	57,204	58,349	60,683	63,111	65,636	68,261
228	56,308	57,435	58,585	60,927	63,366	65,901	68,536
229	56,534	57,665	58,821	61,174	63,620	66,164	68,808
230	56,762	57,896	59,054	61,416	63,873	66,428	69,085
231	56,988	58,127	59,289	61,660	64,127	66,694	69,360
232	57,219	58,359	59,524	61,906	64,382	66,957	69,635
233	57,439	58,589	59,759	62,151	64,637	67,222	69,911
234	57,665	58,821	59,996	62,396	64,891	67,486	70,189
235	57,892	59,049	60,230	62,640	65,144	67,753	70,463
236	58,118	59,281	60,468	62,886	65,400	68,015	70,736
237	58,343	59,512	60,702	63,131	65,654	68,282	71,013
238	58,572	59,742	60,936	63,373	65,909	68,545	71,287
239	58,797	59,972	61,172	63,619	66,163	68,807	71,561
240	59,022	60,204	61,408	63,864	66,418	69,075	71,838
241	59,248	60,434	61,642	64,108	66,671	69,339	72,113
242	59,475	60,665	61,876	64,353	66,928	69,605	72,392
243	59,701	60,896	62,113	64,598	67,183	69,869	72,664
244	59,927	61,127	62,349	64,844	67,437	70,134	72,939
245	60,152	61,357	62,583	65,088	67,691	70,398	73,214
246	60,381	61,649	62,818	65,332	67,944	70,660	73,488
247	60,606	61,818	63,053	65,575	68,199	70,927	73,763
248	60,832	62,047	63,288	65,820	68,454	71,191	74,040
249	61,057	62,280	63,525	66,065	68,708	71,456	74,315
250	61,284	62,510	63,760	66,309	68,963	71,721	74,590
251	61,515	62,746	64,002	66,558	69,223	71,993	74,873
252	61,747	62,982	64,242	66,808	69,484	72,266	75,155
253	61,980	63,219	64,482	67,059	69,745	72,536	75,438
254	62,210	63,455	64,724	67,308	70,005	72,807	75,721
255	62,443	63,692	64,963	67,557	70,265	73,079	76,003
256	62,675	63,927	65,205	67,806	70,525	73,350	76,286
257	62,906	64,164	65,444	68,055	70,785	73,622	76,569
258	63,138	64,400	65,686	68,305	71,047	73,893	76,851
259	63,370	64,637	65,926	68,555	71,307	74,166	77,133
260	63,602	64,872	66,167	68,803	71,568	74,437	77,415
261	63,834	65,109	66,408	69,053	71,829	74,708	77,699
262	64,065	65,345	66,649	69,303	72,089	74,980	77,981
263	64,297	65,581	66,889	69,552	72,351	75,251	78,264
264	64,530	65,817	67,128	69,801	72,611	75,523	78,546
265	64,761	66,053	67,370	70,052	72,870	75,796	78,829
266	64,993	66,289	67,611	70,301	73,131	76,066	79,113
267	65,224	66,526	67,852	70,551	73,391	76,337	79,393
268	65,458	66,762	68,092	70,801	73,652	76,609	79,677
269	65,688	66,997	68,333	71,049	73,913	76,880	79,959
270	65,920	67,235	68,574	71,299	74,173	77,152	80,241
271	66,151	67,470	68,814	71,548	74,433	77,423	80,524
272	66,384	67,706	69,054	71,797	74,694	77,696	80,807
273	66,618	67,943	69,295	72,047	74,955	77,967	81,091

RESOLUTION 99-43

**ESTABLISHING SALARIES
OF SPECIFIC COUNTY OFFICERS FOR 2000**

WHEREAS, the St. Clair County Board of Commissioners has responsibility to establish the salary levels of all County Officers; and

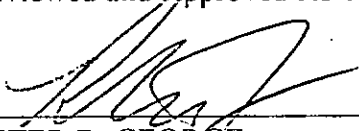
WHEREAS, the St. Clair County Board of Commissioners at a Special Budget Work Session, has reviewed and evaluated the compensation of said Officers and recommended the action specified herein to the full Board of Commissioners, and the Board concluding that said action is due and appropriate.

NOW, THEREFORE, BE IT RESOLVED:

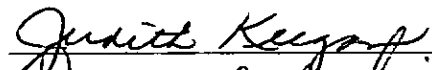
- 1) That the salary levels of County Officers, be, and the same hereby are established as specified in Exhibit "A", attached hereto, and made a part hereof by reference.
- 2) That the salary assigned herein to each classification shall be for one (1) year (2000) effective January 1, 2000.
- 3) All resolutions and parts of resolutions in conflict with this resolution, are, to the extent of the conflict, hereby rescinded.

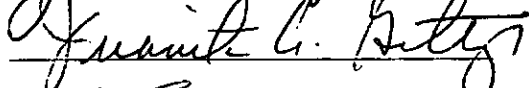
DATED: November 10, 1999

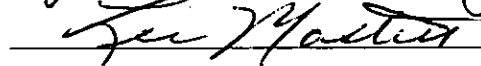
Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







ELECTED OFFICIALS AND DEPUTIES
PROPOSED SALARIES

	<u>Present</u> <u>Salary</u>	<u>2000</u> <u>Salary</u>	<u>Amt. of</u> <u>Increase</u>	<u>Percent</u> <u>Increase</u>
<u>Elected Officials</u>				
Drain Commissioner	44,844	45,965	1,121	2.5
Treasurer	48,048	49,249	1,201	2.5
Clerk-Register	52,467	53,779	1,312	2.5
Sheriff	64,818	66,438	1,620	2.5
Prosecuting Attorney	85,344	87,477	2,133	2.5
Surveyor	6,150	6,304	154	2.5
<u>Appointed Deputies</u>				
Dep. Drain Commissioner	28,775	29,494	719	2.5
Dep. Register of Deeds	35,345	37,130	1,785	5.0
Deputy Clerk	35,345	37,130	1,785	5.0
Deputy Treasurer	36,225	37,130	905	2.5
Undersheriff	59,270	60,572	1,482	2.5
Chief Asst. Pros. Attorney	78,942	80,916	1,974	2.5

RESOLUTION 99-42

APPORTIONING TAXES FOR 1999

WHEREAS, it is the statutory duty of the St. Clair County Board of Commissioners, at its annual session in October of each year, to determine the amount of money to be raised for County purposes, and to apportion such amount; and

WHEREAS, it is further their duty to apportion the amount of state tax and indebtedness of the County to the State among the several townships and other taxing bodies of the County in proportion to the valuation of the taxable property therein, real and personal, as determined by it, which determination and apportionment shall be entered at large on its record; and

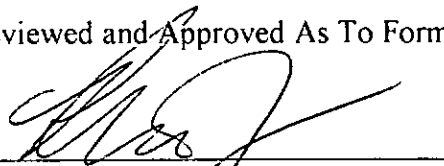
WHEREAS, the Board of Commissioners, by law, is required to direct that the several amounts of money proposed to be raised, as provided by statute, shall be spread upon the assessment rolls of the townships and cities.

NOW, THEREFORE, BE IT RESOLVED:

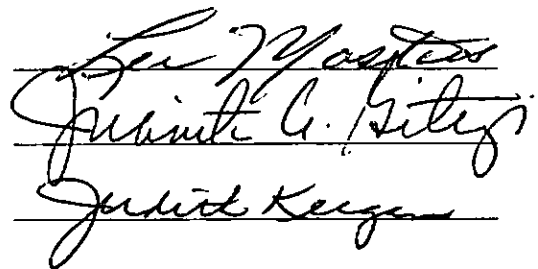
- 1) That the St. Clair County Board of Commissioners does hereby adopt the St. Clair County Tax Report for the year 1999.
- 2) That the apportionment and millage of taxes are to be spread in accordance with the statute in such case made and provided, as evidenced by the St. Clair County Tax Report for the year 1999.
- 3) That the St. Clair County Tax Report is marked Exhibit "A", attached hereto, and made a part hereof by reference.
- 4) All resolutions and parts of resolutions in conflict with this resolution, are to the extent of the conflict, hereby rescinded.

DATED: November 10, 1999

Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, Michigan 48060





EQUALIZATION DEPARTMENT

County of St. Clair, Michigan

COUNTY BUILDING/200 GRAND RIVER AVE STE 107/PORT HURON MI 48060-4015/(810) 989-6925

REPORT TO: St. Clair County Board of Commissioners
FROM: John A. McClellan, Acting Director
DATE: November 10, 1999
SUBJECT: Adoption of 1999 Apportionment Report Labeled
Exhibit "A" and dated October 11, 1999

Attached is a copy of the 4 page Apportionment Report (State Form L-4402) dated October 11, 1999, along with a copy of the adopting resolution.

It is required by state law to be adopted during the "October" session even though some millage rates may still be pending and would require "re-adoption" as amended at a later date.

Also attached are 3 pages of rates listed in the grouping in which they are levied, and a 4th page listing the changes in each rate from last year's rate. These 4 pages present a more understandable picture of the rates than the official Form L-4402. However, only the official form is to be adopted.

A Government of Service



ST. CLAIR COUNTY 1999 TAX RATES
 RATES ARE EXPRESSED AS DOLLARS PER \$1,000 OF TAXABLE VALUATION
 TOTAL RATES ARE FOR NON-HOMESTEAD PROPERTY

TOWNSHIP, VILLAGE AND SCHOOL DISTRICT	TAXABLE VALUE	K-12 SCHOOLS		COLLEGE		INTERMEDIATE SCHOOLS		COUNTY		TOWNSHIPS		TOTAL		PREVIOUS RATES		
		OPERATING STATE	LOCAL	DEBT	VOTED OPER.	DEBT	FIXED OPER.	SP. ED. VOTED	VOC. ED. VOTED	FIXED OPER.	EXTRA VOTED	FIXED OPER.	OTHER	1999 RATE	1998 RATE	1997 RATE
BERLIN																
44-020 Almont Com (1)	22,767,249	6.0000	18.0000	8.4500	None	None	0.2017	0.8966	2.0622	A, B, C, D	0.8152	Fire	45.5635	43.4917	44.3691	
50-050 Amada (2)	16,046,255	6.0000	17.9910	7.0000	None	None	0.2085	1.8125	None	1.7809	0.8152	1.9814	42.9650	41.8437	41.8271	
74-040 Capac Com	26,285,062	6.0000	17.7912	3.9000	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.8152	1.9814	43.0232	41.6047	42.0787	
BROCKWAY																
74-040 Capac Com	300,618	6.0000	17.7912	3.9000	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.9253	E, F	44.2607	44.0579	44.569F	
74-130 Yale Public	34,356,385	6.0000	18.0000	7.0000	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.9253	3.1088	47.5695	47.1579	47.16	
BURTRVILLE																
74-010 Port Huron Area	60,438,866	6.0000	18.0000	2.0000	1.9043	None	0.1967	2.3415	0.9366	1.7809	0.7534	G, H	40.5355	40.3217	40.3124	
76-080 Cros-Lex Com (3)	20,780,399	6.0000	18.0000	3.0000	None	None	0.2148	0.7730	1.7181	1.7809	0.7534	1.2466	38.8623	37.1693	40.1757	
CASCO																
50-040 Anchor Bay (2)	14,109,689	6.0000	18.0000	10.0000	None	None	0.2085	1.8125	None	1.7809	0.8329	None	44.0103	40.7351	41.0184	
50-180 Richmond Com (2)	39,751,519	6.0000	18.0000	4.7500	None	None	0.2085	1.8125	None	1.7809	0.8329	None	38.7603	38.7947	38.7684	
74-050 East China	37,331,058	6.0000	18.0000	3.3500	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.8329	None	40.7183	40.1967	38.8700	
CHINA																
74-050 East China	427,871,221	6.0000	18.0000	3.3500	1.9043	None	0.1966	2.3415	0.9366	1.7809	1.0000	I, J	42.0454	41.3589	40.0283	
CLAY																
74-030 Algonac Com	318,485,001	6.0000	18.0000	3.2500	1.9043	None	0.1967	2.3415	0.9366	1.7809	0.6144	None	40.3999	39.9289	39.8983	
CLYDE																
74-010 Port Huron Area	93,888,406	6.0000	18.0000	2.0000	1.9043	None	0.1967	2.3415	0.9366	1.7809	0.7584	Fire	39.5400	39.0792	38.8069	
74-130 Yale Public	13,494,993	6.0000	18.0000	7.0000	1.9043	None	0.1967	2.3415	0.9366	1.7809	0.7584	0.2461	44.5400	44.0792	43.8069	
COLUMBUS																
50-180 Richmond Com (2)	66,903,549	6.0000	18.0000	4.7500	None	None	0.2085	1.8125	None	1.7809	0.8430	None	38.7704	38.8064	38.7820	
74-050 East China	33,949,704	6.0000	18.0000	3.3500	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.8430	None	40.7284	40.2084	38.8836	
74-100 Marysville Public	3,259,565	6.0000	17.7156	2.9500	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.8430	None	40.0440	39.5740	39.8336	
74-120 Memphis Com	2,293,193	6.0000	18.0000	7.0000	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.8430	None	44.3784	37.8167	37.8512	
COTTRELLVILLE																
74-050 East China	84,813,739	6.0000	18.0000	3.3500	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.7837	None	40.6691	40.1531	38.82	
EAST CHINA																
74-050 East China	367,741,657	6.0000	18.0000	3.3500	1.9043	None	0.1966	2.3415	0.9366	1.7809	2.8587	Wtr. Plt.	43.1215	43.2555	41.3598	
EMMETT																
74-040 Capac Com	21,182,730	6.0000	17.7912	3.9000	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.8870	Temp. Hall	41.8297	41.5860	42.0805	
74-130 Yale Public	19,069,751	6.0000	18.0000	7.0000	1.9043	None	0.1966	2.3415	0.9366	1.7809	0.8870	0.7161	45.1385	44.6860	44.6805	
VILLAGE OF EMMETT	3,911,677	VILLAGE RATES ARE IN ADDITION TO RATES LISTED ON LINE ABOVE														

(1) = Lapeer County
 (2) = Macomb County
 (3) = Sanilac County

A=Senior Citizen .4989 B=Drug Task Force .2831 C=Library .4959 D=Parks, Rec. .5000 E=Roads 1.2582
 F=Fire 1.8506 G=Fire .7534 H=Bus .4932 I=Roads 1.0000 J=Water Plant .1600

ST. CLAIR COUNTY 1999 TAX RATES
 RATES ARE EXPRESSED AS DOLLARS PER \$1,000 OF TAXABLE VALUATION
 TOTAL RATES ARE FOR NON-HOMESTEAD PROPERTY

TOWNSHIP, VILLAGE AND SCHOOL DISTRICT	TAXABLE VALUE	K-12 SCHOOLS		COLLEGE		INTERMEDIATE SCHOOLS		COUNTY		TOWNSHIPS		TOTAL		PREVIOUS RATES		
		STATE	LOCAL	VOTED	DEBT	FIXED	SP. ED. VOTED	FIXED	EXTRA	FIXED	OTHER	1999	1997	1998	1997	
		OPERATING	DEBT	OPER.	DEBT	OPER.	ED.	OPER.	VOTED	OPER.			RATE	RATE	RATE	
FORT GRATIOT																
74-010 Port Huron Area	308,044,905	6.0000	18.0000	2.0000	None	0.1967	2.3415	0.9366	5.3755	1.7809	0.7318	1.8185	41.0858	39.4438	39.4132	
GRANT																
74-010 Port Huron Area	13,315,541	6.0000	18.0000	2.0000	None	0.1967	2.3415	0.9366	5.3755	1.7809	0.8592	3.9439	43.3386	43.1075	43.2563	
74-130 Yale Public	7,257,390	6.0000	18.0000	7.0000	None	0.1967	2.3415	0.9366	5.3755	1.7809	0.8592	3.9439	48.3386	48.1075	48.2563	
76-080 Cros-Lex Com (3)	10,893,434	6.0000	18.0000	3.0000	None	0.2148	0.7730	1.7181	5.3755	1.7809	0.8592	3.9439	41.6654	41.9551	43.1194	
GREENWOOD																
74-130 Yale Public	82,862,176	6.0000	18.0000	7.0000	None	0.1966	2.3415	0.9366	5.3755	1.7809	1.0000	2.0000	46.5354	46.0589	46.0283	
76-080 Cros-Lex Com (3)	855,720	6.0000	18.0000	3.0000	None	0.2148	0.7730	1.7181	5.3755	1.7809	1.0000	2.0000	39.8623	39.9065	40.8916	
IRA																
50-040 Anchor Bay (2)	52,266,878	6.0000	18.0000	10.0000	None	0.2085	1.8125	None	5.3755	1.7809	0.7260	1.7907	45.6941	42.4421	42.5708	
74-030 Algonac Com	55,645,171	6.0000	18.0000	3.2500	None	0.1967	2.3415	0.9366	5.3755	1.7809	0.7260	1.7907	42.3022	41.8537	41.6724	
74-050 East China	13,786,350	6.0000	18.0000	3.3500	None	0.1967	2.3415	0.9366	5.3755	1.7809	0.7260	1.7907	42.4022	41.9037	40.4224	
KENOCHEE																
74-010 Port Huron Area	99,289	6.0000	18.0000	2.0000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8043	1.6559	40.9956	40.5576	40.5508	
74-120 Memphis Com	524,649	6.0000	18.0000	7.0000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8043	1.6559	45.9956	39.4659	39.5184	
74-130 Yale Public	44,664,728	6.0000	18.0000	7.0000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8043	1.6559	45.9956	45.5576	45.5508	
KIMBALL																
74-010 Port Huron Area	99,197,724	6.0000	18.0000	2.0000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8524	None	39.3878	38.9191	38.8885	
74-100 Marysville Public	31,593,225	6.0000	17.7156	2.9500	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8524	None	40.0534	39.5847	39.8385	
74-120 Memphis Com	133,901	6.0000	18.0000	7.0000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8524	None	44.3878	37.8274	37.8561	
LYNN																
74-040 Capac Com	11,916,199	6.0000	17.7912	3.9000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.9369	0.9369	42.1004	41.8861	42.3703	
74-130 Yale Public	8,874,366	6.0000	18.0000	7.0000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.9369	0.9369	45.4092	44.9861	44.9703	
76-060 Brown City Com(3)	3,355,431	6.0000	18.0000	None	None	0.2148	0.7730	1.7181	5.3755	1.7809	0.9369	0.9369	35.7361	37.8274	36.6136	
MUSSEY																
74-040 Capac Com	71,515,936	6.0000	17.7912	3.9000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.9338	1.1206	42.2810	42.0489	42.5198	
VILLAGE OF CAPAC	19,701,287	VILLAGE RATES ARE IN ADDITION TO RATES LISTED ON LINE ABOVE														
											10.8721	11.2460	22.1181	22.8190	23.207	
PORT HURON																
74-010 Port Huron Area	183,254,483	6.0000	18.0000	2.0000	None	0.1967	2.3415	0.9366	5.3755	1.7809	1.0000	6.1555	45.6910	44.3271	49.3121	
RILEY																
50-050 Armada (2)	9,449,886	6.0000	17.9910	7.0000	None	0.2085	1.8125	None	5.3755	1.7809	0.8094	None	40.9778	41.0183	41.0112	
74-040 Capac Com	23,758,864	6.0000	17.7912	3.9000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8094	None	41.0360	40.7793	41.2628	
74-120 Memphis Com	34,160,879	6.0000	18.0000	7.0000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8094	None	44.3448	37.7876	37.8304	
74-130 Yale Public	303,936	6.0000	18.0000	7.0000	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8094	None	44.3448	43.8793	43.8628	

(2) = Macomb County
 (3) = Sanilac County
 A=Senior Citizen .4989 B=Drug Task Force .2831 C=Library .4989 D=arks, Rec. .5000 E=Police 1.1750 M=Fire .8592
 N=Roads 1.9022 O=Vp. Hall 1.1825 P=Sewer 5.0000 Q=Streets 6.2460 R=Roads .9850 S=Sewer 2.0000 T=Fire .4924
 U=Bus .7781 V=Police 1.9000

ST. CLAIR COUNTY 1999 TAX RATES
 RATES ARE EXPRESSED AS DOLLARS PER \$1,000 OF TAXABLE VALUATION
 TOTAL RATES ARE FOR NON-HOMESTEAD PROPERTY

TOWNSHIP, VILLAGE AND SCHOOL DISTRICT	TAXABLE VALUE	K-12 SCHOOLS		COLLEGE		INTERMEDIATE SCHOOLS				COUNTY		TOWNSHIPS		TOTAL 1999 RATE		PREVIOUS RATES 1998 1997		
		STATE	LOCAL	DEBT	VOTED	DEBT	OPER.	SP. ED.	VOC. ED.	VOTED	FIXED OPER.	EXTRA VOTED	FIXED OPER.	OTHER	1999 RATE	1998 RATE	1997 RATE	
ST. CLAIR																		
74-050 East China	142,380,388	6.0000	18.0000	3.3500	1.9043	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8231	None	40.7085	40.1882	38.8591		
74-100 Marysville Public	44,015,971	6.0000	17.7156	2.9500	1.9043	None	0.1966	2.3415	0.9366	5.3755	1.7809	0.8231	None	40.0241	39.5538	39.8091		
WALE																		
74-010 Port Huron Area	9,338,266	6.0000	18.0000	2.0000	1.9043	None	0.1967	2.3415	0.9366	5.3755	1.7809	0.8019	None	39.3374	38.8697	38.8548		
74-100 Marysville Public	1,123,896	6.0000	17.7156	2.9500	1.9043	None	0.1967	2.3415	0.9366	5.3755	1.7809	0.8019	None	40.0030	39.5353	39.8044		
74-120 Memphis Com	43,053,220	6.0000	18.0000	7.0000	1.9043	None	0.1967	2.3415	0.9366	5.3755	1.7809	0.8019	None	44.3374	37.7780	37.87		
74-130 Yale Public	6,830,563	6.0000	18.0000	7.0000	1.9043	None	0.1967	2.3415	0.9366	5.3755	1.7809	0.8019	None	44.3374	43.8697	43.85		
CITIES AND SCHOOL DISTRICTS	TAXABLE VALUE	K-12 SCHOOLS		COLLEGE		INTERMEDIATE SCHOOL				COUNTY		CITIES		TOTAL 1999 RATE		PREVIOUS RATES 1998 1997		
		STATE	LOCAL	DEBT	VOTED	DEBT	OPER.	SP. ED.	VOC. ED.	VOTED	FIXED OPER.	EXTRA VOTED	FIXED OPER.	OTHER	1999 RATE	1998 RATE	1997 RATE	
CITY OF ALGONAC																		
74-030 Algonac Com	83,658,983	6.0000	18.0000	3.2500	1.9044	None	0.1967	2.3415	0.9366	5.3755	1.7809	10.7477	4.8369	55.3702	54.9935	53.8529		
CITY OF MARINE CITY																		
74-050 East China	91,415,410	6.0000	18.0000	3.3500	1.9044	None	0.1966	2.3415	0.9366	5.3755	1.7809	17.4000	5.3500	62.6355	62.1089	61.2783		
CITY OF MARYSVILLE																		
74-100 Marysville Public	304,953,350	6.0000	17.7156	2.9500	1.9044	None	0.1967	2.3415	0.9366	5.3755	1.7809	12.7100	4.1000	56.0112	55.5345	55.7883		
CITY OF MEMPHIS																		
74-120 Memphis Com	6,431,052	6.0000	18.0000	7.0000	1.9043	None	0.1966	2.3415	0.9366	5.3755	1.7809	16.0088	None	59.5442	52.9936	53.1175		
CITY OF PORT HURON																		
74-010 Port Huron Area	559,630,230	6.0000	18.0000	2.0000	1.9044	None	0.1967	2.3415	0.9366	5.3755	1.7809	11.3297	5.4746	55.3399	54.8789	54.8483		
CITY OF ST. CLAIR																		
74-050 East China	157,900,142	6.0000	18.0000	3.3500	1.9044	None	0.1966	2.3415	0.9366	5.3755	1.7809	13.3156	2.5394	55.7405	56.4457	55.6089		
CITY OF YALE																		
74-130 Yale Public	26,319,238	6.0000	18.0000	7.0000	1.9044	None	0.1966	2.3415	0.9366	5.3755	1.7809	12.9383	2.0000	58.4738	55.9972	55.91		
		A=Senior Citizen .4989	B=Drug Task Force .2831	C=Library .4989	D=Parks, Rec. .5000	E=Library .4989	F=Refuse 1.4000	G=Refuse 1.4000	H=Refuse 1.4000	I=Refuse 1.4000	J=Refuse 1.4000	K=Refuse 1.4000	L=Refuse 1.4000	M=Refuse 1.4000	N=Refuse 1.4000	O=Refuse 1.4000	P=Refuse 1.4000	W=Sewer/Water Debt 2.6100
		X=Sewer Oper. 2.2269	Y=Waste Water Plant 1.2400	Z=Sewer/Streets 4.1100	a=Refuse 1.4000	b=Refuse 1.4000	c=Streets 1.9986	d=Streets 1.9986	e=Streets 1.9986	f=Refuse 2.8324	g=Water 1.8160	h=Streets .7234						

1999 TOTAL TAX RATE OF 53 TAX LEVYING JURISDICTIONS WITH CHANGE FROM 1998 RATE
Changes Expressed as Dollars per \$1,000 of Taxable Value

1999 RATE	CHANGE	JURISDICTION	1999 RATE	CHANGE	JURISDICTION
7.1564	(0.0142)	St. Clair County (c)	16.0088	(0.0176)	City of Memphis (c)
2.7966	1.1508	Berlin Twp. (c)	16.8043	(0.0157)	City of Port Huron (c)
4.0341	(0.0649)	Brockway Twp. (c)	15.8550	(1.2318)	City of St. Clair (c)
2.0000	(0.2628)	Burtchville Twp. (c)	14.9383	2.0000	City of Yale
0.8329	(0.0049)	Casco Twp. (c)	22.1181	(0.7009)	Village of Capac (c)
2.1600	0.1600	China Twp.	5.4222	(0.1845)	Village of Emmett (b) (c)
0.6144	(0.0056)	Clay Twp. (c)	26.0000	0	Port Huron Area Schools 74-010
1.0045	(0.0158)	Clyde Twp. (c)	27.2500	0	Algonac Community Schools 74-030
0.8430	(0.0065)	Columbus Twp. (c)	27.6912	(0.2088)	Capac Community Schools 74-040 (c)
0.7837	(0.0105)	Cottrellville Twp. (c)	27.3500	0.0500	East China Schools 74-050
3.2361	(0.6605)	East China Twp.	26.6656	0	Marysville Public Schools 74-100
1.6031	(0.0240)	Emmett Twp. (c)	31.0000	6.0917	Memphis Community Schools 74-120
2.5503	1.1654	Fort Gratiot Twp. (c)	31.0000	0	Yale Public Schools 74-130
4.8031	(0.2455)	Grant Twp. (c)	3.4748 *	(0.0059)	St. Clair Co. Inter., Sp., & Voc. Ed. (c)
3.0000	0	Greenwood Twp.	1.9044 *	0.4968	St. Clair Co. Community College (c)
2.5167	(0.0281)	Ira Twp. (c)	2.0000	0	P.H. Downtown Development Authority
2.4602	(0.0385)	Kenockee Twp. (c)	0.6436	(0.0044)	Blue Water Area Transportation
0.8524	(0.0078)	Kimball Twp. (c)			
1.8738	(0.0534)	Lynn Twp. (c)	34.0000	3.3096	Anchor Bay Schools 50-040
2.0544	(0.0356)	Mussey Twp. (c)	28.7500	0	Richmond Community Schools 50-180
7.1555	0.8873	Port Huron Twp. (c)	30.9910	0	Armada Area Schools 50-050
0.8094	(0.0110)	Riley Twp. (c)	32.4500	0.9925	Almont Community Schools 44-020
0.8231	(0.0062)	St. Clair Twp. (c)	24.0000	(1.1800)	Brown City Community Schools 76-060
0.8019	(0.0089)	Wales Twp. (c)	27.0000	0	Croswell-Lexington Comm. Schools 76-080
15.5846	(0.1000)	City of Algonac (c)	2.0210	(0.0153)	Macomb County Inter. & Sp. Ed (c)
22.7500	0	City of Marine City (c)	3.1605	(0.0373)	Lapeer Co. Inter., Sp., & Voc. Ed. (c)
16.8100	0	City of Marysville	2.7059	(0.0300)	Sanilac Co. Inter., Sp., & Voc. Ed. (c)

(a) Rollback due to Section 211.34 of the General Property Tax Laws (Truth in Assessing, County Equalization).

(b) Rollback due to Section 211.24e of the General Property Tax Laws (Truth in Taxation).

(c) Rollback due to Section 211.34d of the General Property Tax Laws (Headlee).

Numbers in parenthesis indicate a decrease

* Rate is .0001 less in December due to P.A. 38 of 1999

TO: DEPARTMENT OF TREASURY DATED: OCTOBER 11, 1999 ADOPTED: _____ PAGE 1 OF 4

	TAXABLE VALUATION	MILLAGES			PURPOSE
		SEPARATE OR ALLOCATED	EXTRA - VOTED		
			OPERATE	BLDG-SITE-DEBT	
STATE EDUCATION TAX	4,269,992,378	6.0000			
COUNTY ST. CLAIR	4,269,992,378	5.3755	1.7809	.0000	SENIOR CITIZENS, DRUG TASK FORCE, LIBRARY, PARKS
TOWNSHIPS:					
BERLIN	65,098,566	.8152	1.9814	.0000	FIRE
BROCKWAY	34,657,003	.9253	1.1088	.0000	FIRE, ROADS
BURTCHEVILLE	81,219,265	.7534	1.2466	.0000	BUS, FIRE
CASCO	91,192,266	.8329	.0000	.0000	
CHINA CHARTER	427,871,221	1.0000	1.0000	.1600	ROADS, WATER PLANT
CLAY	318,485,001	.6144	.0000	.0000	
CLYDE	107,383,399	.7584	.2461	.0000	FIRE
COLUMBUS	106,396,011	.8430	.0000	.0000	
COTTRELLVILLE	84,813,739	.7837	.0000	.0000	
EAST CHINA CHARTER	167,741,657	2.8587	.0000	.3774	WATER PLANT
EMMETT	40,252,481	.8870	.7161	.0000	NEW TOWNSHIP HALL
FORT GRATIOT CHARTER	308,044,905	.7318	1.8185	.0000	BUS, POLICE
GRANT	31,466,365	.8592	2.7614	1.1825	FIRE, ROADS, NEW TOWNSHIP HALL
GREENWOOD	83,817,896	1.0000	2.0000	.0000	FIRE, ROADS, REFUSE
IRA	121,698,399	.7260	.9890	.8017	FIRE
KENOCKEE	45,288,665	.8043	1.6559	.0000	FIRE
KIMBALL	130,924,850	.8524	.0000	.0000	
LYNN	24,145,996	.9369	.9369	.0000	ROADS
MUSSEY	71,515,936	.9338	1.1206	.0000	FIRE
PORT HURON CHARTER	183,254,483	1.0000	4.1555	2.0000	FIRE, ROADS, BUS, SEWER, POLICE
RILEY	67,673,565	.8094	.0000	.0000	
ST. CLAIR	186,396,359	.8231	.0000	.0000	
WALES	60,345,945	.8019	.0000	.0000	
CITIES:					
	TAXABLE VALUATION	TOTAL TAX RATES	\$ (S) OF AD VALOREM TAXES LEVIED		
ALGONAC	83,658,983	15.5846	1,303,792		
MARINE CITY	91,415,410	22.7500	2,079,701		
MARYSVILLE	304,953,350	16.8100	5,126,266		
MEMPHIS	6,431,052	16.0088	102,953		
PORT HURON	559,630,230	16.8043	9,494,659 (A)		
ST. CLAIR	157,900,142	15.8550	2,503,507		
YALE	26,319,238	14.9383	393,165		
VILLAGES:					
CAPAC	21,078,192	22.1181	466,210		
EMMETT	3,911,677	5.4222	21,210		

(A) INCLUDES DOWNTOWN DEVELOPMENT AUTHORITY

CERTIFICATION

I HEREBY CERTIFY THAT THIS REPORT IS A TRUE STATEMENT OF THE TAXABLE VALUATIONS OF EACH ASSESSING DISTRICT AND OF ALL AD VALOREM MILLAGES APPORTIONED BY THE COUNTY BOARD OF COMMISSIONERS OF THE COUNTY OF ST. CLAIR FOR THE YEAR 1999.

(SIGNATURE) COUNTY CLERK

NOTARIZATION

NOTARY PUBLIC ST. CLAIR COUNTY, MICHIGAN COUNTY OF ST. CLAIR

STATE OF MICHIGAN

SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ DAY OF _____ 19____ MY COMMISSION AS NOTARY EXPIRES _____

STATEMENT SHOWING TAXABLE VALUATION AND MILLS APPORTIONED BY THE COUNTY BOARD OF COMMISSIONERS
OF THE COUNTY OF ST. CLAIR FOR THE YEAR 1999

EXHIBIT "A"

DATED: OCTOBER 11, 1999 ADOPTED: _____

PAGE 2 OF 4

ALL PRO- PERTY	NON HOME- STEAD	SCHOOL DISTRICTS NAME AND CODES	TOWNSHIP OR CITY WHERE SCHOOL DISTRICT IS LOCATED	TAXABLE VALUATION	MILLAGES		COUNTY USE (NOTES, REMARKS, COMMENTS)
					ISD ONLY SEPARATE OR ALLOCATED	EXTRA - VOTED OPERATE BLDG-SITE-DEBT	
X		ALGONAC COMM. 74-030	CITY OF ALGONAC	83,658,983		.0000 * 3.2500 *	
	X		CITY OF ALGONAC	24,714,719		18.0000 * .0000 *	
X			CLAY TOWNSHIP	318,485,001		.0000 * 3.2500 *	
	X		CLAY TOWNSHIP	102,345,882		18.0000 * .0000 *	
X			IRA TOWNSHIP	55,645,171		.0000 * 3.2500 *	
	X		IRA TOWNSHIP	17,086,518		18.0000 * .0000 *	
X		CAPAC COMM. 74-040	BERLIN TOWNSHIP	26,285,062		.0000 3.9000	
	X		BERLIN TOWNSHIP	4,687,308		17.7912 .0000	
X			BROCKWAY TOWNSHIP	300,618		.0000 3.9000	
	X		BROCKWAY TOWNSHIP	4,961		17.7912 .0000	
X			EMMETT TOWNSHIP	21,182,730		.0000 3.9000	
	X		EMMETT TOWNSHIP	4,383,914		17.7912 .0000	
X			LYNN TOWNSHIP	11,916,199		.0000 3.9000	
	X		LYNN TOWNSHIP	2,591,620		17.7912 .0000	
X			MUSSEY TOWNSHIP	71,515,936		.0000 3.9000	
	X		MUSSEY TOWNSHIP	26,115,162		17.7912 .0000	
X			RILEY TOWNSHIP	23,758,864		.0000 3.9000	
	X		RILEY TOWNSHIP	3,227,416		17.7912 .0000	
X		EAST CHINA 74-050	CITY OF MARINE CITY	91,415,410		.0000 3.3500	
	X		CITY OF MARINE CITY	40,944,865		18.0000 .0000	
X			CITY OF ST. CLAIR	157,900,142		.0000 3.3500	
	X		CITY OF ST. CLAIR	50,972,611		18.0000 .0000	
X			CASCO TOWNSHIP	37,331,058		.0000 3.3500	
	X		CASCO TOWNSHIP	8,660,133		18.0000 .0000	
X			CHINA TOWNSHIP	427,871,221		.0000 3.3500	
	X		CHINA TOWNSHIP	354,242,788		18.0000 .0000	
X			COLUMBUS TOWNSHIP	33,949,704		.0000 3.3500	
	X		COLUMBUS TOWNSHIP	10,682,552		18.0000 .0000	
X			COTTRELLVILLE TWP.	84,813,739		.0000 3.3500	
	X		COTTRELLVILLE TWP.	19,333,319		18.0000 .0000	
X			EAST CHINA TWP.	367,741,657		.0000 3.3500	
	X		EAST CHINA TWP.	284,665,530		18.0000 .0000	
X			IRA TOWNSHIP	13,786,350		.0000 3.3500	
	X		IRA TOWNSHIP	3,627,416		18.0000 .0000	
X			ST. CLAIR TOWNSHIP	142,380,388		.0000 3.3500	
	X		ST. CLAIR TOWNSHIP	24,765,641		18.0000 .0000	
X		MARYSVILLE PUBLIC 74-100	CITY OF MARYSVILLE	304,953,350		.0000 * 2.9500	
	X		CITY OF MARYSVILLE	158,880,011		17.7156 * .0000	
X			COLUMBUS TOWNSHIP	3,259,565		.0000 2.9500	
	X		COLUMBUS TOWNSHIP	465,670		17.7156 .0000	
X			KIMBALL TOWNSHIP	31,593,225		.0000 2.9500	
	X		KIMBALL TOWNSHIP	8,115,071		17.7156 .0000	
X			ST. CLAIR TOWNSHIP	44,015,971		.0000 2.9500	
	X		ST. CLAIR TOWNSHIP	11,324,786		17.7156 .0000	
X			WALES TOWNSHIP	1,123,896		.0000 2.9500	
	X		WALES TOWNSHIP	82,192		17.7156 .0000	
X		MEMPHIS COMM. 74-120	CITY OF MEMPHIS	6,431,052		.0000 7.0000	
	X		CITY OF MEMPHIS	2,670,183		18.0000 .0000	
X			COLUMBUS TOWNSHIP	2,283,193		.0000 7.0000	
	X		COLUMBUS TOWNSHIP	297,874		18.0000 .0000	
X			KENOCKEE TOWNSHIP	524,649		.0000 7.0000	
	X		KENOCKEE TOWNSHIP	37,021		18.0000 .0000	
X			KIMBALL TOWNSHIP	133,901		.0000 7.0000	
	X		KIMBALL TOWNSHIP	38,577		18.0000 .0000	
X			RILEY TOWNSHIP	34,160,879		.0000 7.0000	
	X		RILEY TOWNSHIP	5,938,934		18.0000 .0000	
X			WALES TOWNSHIP	43,053,220		.0000 7.0000	
	X		WALES TOWNSHIP	7,319,029		18.0000 .0000	

STATEMENT SHOWING TAXABLE VALUATION AND MILLS APPORTIONED BY THE COUNTY BOARD OF COMMISSIONERS

OF THE COUNTY OF ST. CLAIR FOR THE YEAR 1999

EXHIBIT "A"

DATED: OCTOBER 11, 1999 ADOPTED: _____

PAGE 3 OF 4

ALL PRO- PERTY	NON HOME- STEAD	SCHOOL DISTRICTS		TOWNSHIP OR CITY	TAXABLE VALUATION	MILLAGES			COUNTY USE (NOTES, REMARKS, COMMENTS)
		NAME AND CODES	DISTRICT IS LOCATED	WHERE SCHOOL DISTRICT IS LOCATED		ISD ONLY SEPARATE OR ALLOCATED	EXTRA - VOTED OPERATE	BLDG-SITE-DEBT	
X		PORT HURON AREA	74-010	CITY OF PORT HURON	559,630,230		.0000 *	2.0000 *	
	X			CITY OF PORT HURON	303,934,511		18.0000 *	.0000 *	
X				BURTCVILLE TWP.	60,438,866		.0000 *	2.0000 *	
	X			BURTCVILLE TWP.	15,821,145		18.0000 *	.0000 *	
X				CLYDE TOWNSHIP	93,888,406		.0000 *	2.0000 *	
	X			CLYDE TOWNSHIP	10,804,495		18.0000 *	.0000 *	
X				FORT GRATIOT TWP.	308,044,905		.0000 *	2.0000 *	
	X			FORT GRATIOT TWP.	133,878,927		18.0000 *	.0000 *	
X				GRANT TOWNSHIP	13,315,541		.0000 *	2.0000 *	
	X			GRANT TOWNSHIP	2,120,219		18.0000 *	.0000 *	
X				KENOCKEE TOWNSHIP	99,288		.0000 *	2.0000 *	
	X			KENOCKEE TOWNSHIP	8,884		18.0000 *	.0000 *	
X				KIMBALL TOWNSHIP	99,197,724		.0000 *	2.0000 *	
	X			KIMBALL TOWNSHIP	30,320,268		18.0000 *	.0000 *	
X				PORT HURON TOWNSHIP	183,254,483		.0000 *	2.0000 *	
	X			PORT HURON TOWNSHIP	81,660,557		18.0000 *	.0000 *	
X				WALES TOWNSHIP	9,338,266		.0000 *	2.0000 *	
	X			WALES TOWNSHIP	1,883,461		18.0000 *	.0000 *	
X		YALE PUBLIC	74-130	CITY OF YALE	26,319,238		.0000	7.0000	
	X			CITY OF YALE	11,321,390		18.0000	.0000	
X				BROCKWAY TOWNSHIP	34,356,385		.0000	7.0000	
	X			BROCKWAY TOWNSHIP	6,379,100		18.0000	.0000	
X				CLYDE TOWNSHIP	13,494,993		.0000	7.0000	
	X			CLYDE TOWNSHIP	2,099,485		18.0000	.0000	
X				EMMETT TOWNSHIP	19,069,751		.0000	7.0000	
	X			EMMETT TOWNSHIP	3,509,110		18.0000	.0000	
X				GRANT TOWNSHIP	7,257,390		.0000	7.0000	
	X			GRANT TOWNSHIP	1,150,353		18.0000	.0000	
X				GREENWOOD TOWNSHIP	82,962,176		.0000	7.0000	
	X			GREENWOOD TOWNSHIP	65,734,120		18.0000	.0000	
X				KENOCKEE TOWNSHIP	44,664,728		.0000	7.0000	
	X			KENOCKEE TOWNSHIP	8,532,616		18.0000	.0000	
X				LYNN TOWNSHIP	8,874,366		.0000	7.0000	
	X			LYNN TOWNSHIP	830,055		18.0000	.0000	
X				RILEY TOWNSHIP	303,936		.0000	7.0000	
	X			RILEY TOWNSHIP	269,084		18.0000	.0000	
X				WALES TOWNSHIP	6,830,563		.0000	7.0000	
	X			WALES TOWNSHIP	1,366,185		18.0000	.0000	

STATEMENT SHOWING TAXABLE VALUATION AND MILLS APPORTIONED BY THE COUNTY BOARD OF COMMISSIONERS

OF THE COUNTY OF ST. CLAIR FOR THE YEAR 1999

EXHIBIT "A"

DATED: OCTOBER 11, 1999 ADOPTED: _____

PAGE 4 OF 4

ALL PRO- PERTY	NON HOME- STEAD	SCHOOL DISTRICTS	TOWNSHIP OR CITY	TAXABLE VALUATION	MILLAGES			COUNTY USE (NOTES, REMARKS, COMMENTS)
		NAME AND CODES	WHERE SCHOOL DISTRICT IS LOCATED		ISD ONLY SEPARATE OR	EXTRA - VOTED OPERATE	BLDG-SITE-DEBT	
		ST. CLAIR COUNTY:						
		74-000	ALL OF THE ABOVE	4,012,812,369	.1967 *	.0000	.0000	
			ALL OF THE ABOVE	4,012,812,369	.0000	2.3415 *	.0000	
			ALL OF THE ABOVE	4,012,812,369	.0000	.9366 *	.0000	
		5359	ALL OF THE ABOVE	4,012,812,369	.0000	1.9044 *	.0000	
		LAPEER COUNTY:						
		44-020	BERLIN TOWNSHIP	22,767,249	.2017	.0000	.0000	
		44-020	BERLIN TOWNSHIP	22,767,249	.0000	.8966	.0000	
		44-020	BERLIN TOWNSHIP	22,767,249	.0000	2.0622	.0000	
		MACOMB COUNTY:						
		50-050	BERLIN TOWNSHIP	16,046,255	.2085 *	.0000	.0000	
		50-040	CASCO TOWNSHIP	14,109,689	.2085	.0000	.0000	
		50-180	CASCO TOWNSHIP	39,751,519	.2085	.0000	.0000	
		50-180	COLUMBUS TOWNSHIP	66,903,549	.2085	.0000	.0000	
		50-040	IRA TOWNSHIP	52,266,878	.2085 *	.0000	.0000	
		50-050	RILEY TOWNSHIP	9,449,886	.2085 *	.0000	.0000	
		50-050	BERLIN TOWNSHIP	16,046,255	.0000	1.8125 *	.0000	
		50-040	CASCO TOWNSHIP	14,109,689	.0000	1.8125	.0000	
		50-180	CASCO TOWNSHIP	39,751,519	.0000	1.8125	.0000	
		50-180	COLUMBUS TOWNSHIP	66,903,549	.0000	1.8125	.0000	
		50-040	IRA TOWNSHIP	52,266,878	.0000	1.8125 *	.0000	
		50-050	RILEY TOWNSHIP	9,449,886	.0000	1.8125 *	.0000	
		SANILAC COUNTY:						
		76-080	BURTCHVILLE TWP.	20,780,399	.2148	.0000	.0000	
		76-080	GRANT TOWNSHIP	10,893,434	.2148	.0000	.0000	
		76-080	GREENWOOD TOWNSHIP	855,720	.2148	.0000	.0000	
		76-060	LYNN TOWNSHIP	3,355,431	.2148	.0000	.0000	
		76-080	BURTCHVILLE TWP.	20,780,399	.0000	.7730	.0000	
		76-080	GRANT TOWNSHIP	10,893,434	.0000	.7730	.0000	
		76-080	GREENWOOD TOWNSHIP	855,720	.0000	.7730	.0000	
		76-060	LYNN TOWNSHIP	3,355,431	.0000	.7730	.0000	
		76-080	BURTCHVILLE TWP.	20,780,399	.0000	1.7181	.0000	
		76-080	GRANT TOWNSHIP	10,893,434	.0000	1.7181	.0000	
		76-080	GREENWOOD TOWNSHIP	855,720	.0000	1.7181	.0000	
		76-060	LYNN TOWNSHIP	3,355,431	.0000	1.7181	.0000	
X		44-020	BERLIN TOWNSHIP	22,767,249		.0000	8.4500	
	X		BERLIN TOWNSHIP	3,280,279		18.0000	.0000	
X		50-040	CASCO TOWNSHIP	14,109,689		.0000 *	10.0000 *	
	X		CASCO TOWNSHIP	5,246,227		18.0000 *	.0000 *	
X			IRA TOWNSHIP	52,266,878		.0000 *	10.0000 *	
	X		IRA TOWNSHIP	24,790,453		18.0000 *	.0000 *	
X		50-050	BERLIN TOWNSHIP	16,046,255		.0000 *	7.0000 *	
	X		BERLIN TOWNSHIP	3,292,355		17.9910 *	.0000 *	
X			RILEY TOWNSHIP	9,449,886		.0000 *	7.0000 *	
	X		RILEY TOWNSHIP	1,326,786		17.9910 *	.0000 *	
X		50-180	CASCO TOWNSHIP	39,751,519		.0000 *	4.7500 *	
	X		CASCO TOWNSHIP	9,436,642		18.0000 *	.0000 *	
X			COLUMBUS TOWNSHIP	66,903,549		.0000 *	4.7500 *	
	X		COLUMBUS TOWNSHIP	20,467,238		18.0000 *	.0000 *	
X		76-060	LYNN TOWNSHIP	3,355,431		.0000	.0000	
	X		LYNN TOWNSHIP	539,450		18.0000	.0000	
X		76-080	BURTCHVILLE TWP.	20,780,399		.0000	3.0000	
	X		BURTCHVILLE TWP.	5,367,927		18.0000	.0000	
X			GRANT TOWNSHIP	10,893,434		.0000	3.0000	
	X		GRANT TOWNSHIP	2,218,808		18.0000	.0000	
X			GREENWOOD TOWNSHIP	855,720		.0000	3.0000	
	X		GREENWOOD TOWNSHIP	113,521		18.0000	.0000	

* SCHOOL DISTRICTS LEVYING A 1999 SUMMER TAX

<u>SCHOOL DISTRICT</u>	<u>NUMBER</u>	<u>PURPOSE</u>	<u>MILLAGE RATE</u>	
			<u>JULY</u>	<u>DECEMBER</u>
St. Clair County Intermediate	74-000	Oper.	.1967 a	-0- a
		Oper.	-0- b	.1966 b
Special Education		Oper.	2.3415 a	-0- a
		Oper.	-0- b	2.3415 b
Vocational Education		Oper.	.9366 a	-0- a
		Oper.	-0- b	.9366 b
Port Huron Area	74-010	Oper.	24.0000 c	-0- c
		Debt	2.0000 c	-0- c
Algonac Community	74-030	Oper.	24.0000 d	-0- d
		Debt	3.2500 d	-0- d
Marysville Public	74-100	Oper.	23.7156 e	-0- e
		Debt	-0- e	2.9500 e
		Oper.	-0- f	23.7156 f
		Debt	-0- f	2.9500 f
St. Clair County Community College	5359	Oper.	1.9044 g	1.9043 b
Macomb County Intermediate	50-000	Oper.	.2085 h	.2085 i
		Special Education	Oper.	1.8125 h
Anchor Bay	50-040	Oper.	12.0000 j	12.0000 j
		Debt	3.5000 j	6.5000 j
Armada Area	50-050	Oper.	12.0000 k	11.9910 k
		Debt	3.5000 k	3.5000 k
Richmond Community	50-180	Oper.	12.0000 i	12.0000 i
		Debt	2.3750 i	2.3750 i

LEVIED IN:

- a = Cities of Algonac, Marysville, Port Huron and Townships of Burtchville, Clay, Clyde, Fort Gratiot, Grant, Ira, Port Huron, and Wales
- b = Balance of district
- c = City of Port Huron and Townships of Burtchville, Clyde, Fort Gratiot, Grant, Kenossee, Kimball, Port Huron and Wales
- d = City of Algonac and Townships of Clay and Ira
- e = City of Marysville
- f = Townships of Columbus, Kimball, St. Clair and Wales
- g = Cities of Algonac, Marine City, Marysville, Port Huron, St. Clair, and Yale
- h = Berlin, Ira, and Riley Townships
- i = Casco and Columbus Townships
- j = Casco and Ira Townships
- k = Berlin and Riley Townships

BOARD OF COMMISSIONERS OPTING OUT OF
TAX FORECLOSURE PROCESS

WHEREAS, Act 123 of the Public Acts of 1999 became effective on July 23, 1999; and

WHEREAS, Act 123 significantly rewrote the real property tax foreclosure process contained in the General Property Tax Act, Act 206 of the Public Acts of 1893, as amended, Michigan Compiled Laws section 211.1 *et seq.*, and

WHEREAS, the new tax foreclosure process becomes effective October 1, 1999; and

WHEREAS, the new tax foreclosure process on March 1 of each year forfeits to the County Treasurer property delinquent for taxes levied in the second preceding year, beginning with taxes levied after December 31, 1998; and

WHEREAS, the new tax foreclosure process authorizes counties, through the office of the County Treasurer, to undertake the actions necessary to foreclose upon properties that have been forfeited to the County Treasurer and remain delinquent for the taxes for which the forfeiture occurred; and

WHEREAS, section 78(3) of the General Property tax Act as added by Act 123 Michigan Compiled Laws section 211.78(3), authorizes the County Board of Commissioners of a county, not later than December 1, 1999, by a resolution adopted at a meeting held pursuant to the open meeting act, and with the written concurrence of the County Treasurer and the County Executive, if any, to elect to have the State of Michigan foreclose property forfeited to the County Treasurer under the General Property Tax Act; and

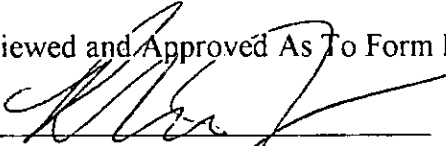
WHEREAS, section 78(3) of the General Property Tax Act as added by Act 123, Michigan Compiled Laws section 211.78(3), authorizes the County Board of Commissioners of a county, at any time during December 2004, by a resolution adopted at a meeting held pursuant to the open meetings act, and with the written concurrence of the County Treasurer and the county Executive, if any, to

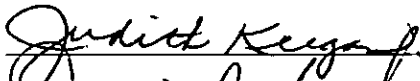

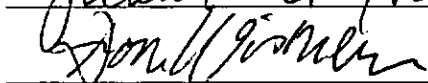
- (a) elect to have the State of Michigan foreclose property forfeited to the County Treasurer under the General Property Tax Act, or
- (b) rescind its prior resolution by which it elected to have the State of Michigan foreclose property forfeited to the County Treasurer under the General Property Tax Act.

NOW, THEREFORE, BE IT RESOLVED that St. Clair County elects to have the State foreclose property forfeited to the St. Clair County Treasurer under the General Property Tax Act.

DATED: November 10, 1999

Reviewed and Approved As To Form By:


PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060



OFFICE OF THE TREASURER

County of St. Clair, Michigan

200 GRAND RIVER AVENUE — SUITE 101, PORT HURON MI 48060
COUNTY ADMINISTRATIVE OFFICE BUILDING

(810) 989-6915

Fax (810) 985-4795

MAUREEN RUFF, Treasurer

PHYLLIS SNYDER, Deputy Treasurer

To: St. Clair County Board of Commissioners
From: Maureen Ruff, County Treasurer ~~LSX~~
Subject: Foreclosing Governmental Unit in new tax reversion process
Date: October 26, 1999

Enclosed is some background information on the new tax reversion process. I am recommending that St. Clair county opt-out as the Foreclosing Governmental Unit. That will leave the state as the FGU. Following are some of the reasons that I believe that the County should not be the foreclosing unit:

- 1) The state acquired the Fort Gratiot Landfill through the present tax reversion process. Although the governmental unit does not assume legal responsibility for clean up of contaminated property, the neighbors of the property are going to look at whomever has the land for relief.
- 2) Although there are two private company's willing to do the notification, title search process, and auction, if they decide to opt-out, the foreclosing governmental unit would be hard pressed to be able to find someone to do all of the necessary work – certainly we do not have the staff or the expertise to perform all of the functions required. Also, the company's willing to do this have not yet developed a fee structure.
- 3) The notification process is a lawsuit waiting to happen. Parties with a recorded interest are required to be notified, but there are many bona-fide interests that are not recorded. There is no requirement to notify anyone without a recorded interest, unless they specifically request notification and pay a yearly fee.
- 4) In December 2004, we can revisit this issue, and elect to opt-in if we want. This sounds like a long time, but actually this whole process begins with delinquent 1999 property taxes, so by December 2004 only two tax years would have gone through the whole foreclosure process.

The resolution to opt-out MUST be passed before December 1, 1999

Attachments

A Government of Service



MICHIGAN ASSOCIATION OF COUNTY TREASURERS

DRAFT TIME LINE
House Bill No. 4489 (H-3)
(1999 Taxes)

Jun 1999 - Dec 1, 1999	Opt Out Provision- County Board of Commissioners with written concurrence of county treasurer and county executive, if applicable, may elect to have State foreclose property after forfeiture to county treasurer. This decision may be revisited in 5 years. in December, 2004.	§ 78(3)	
Jan 1, 2000 - Feb 1, 2000	Persons may pay annual subscription fee of \$5.00 to receive notice by regular mail of delinquent taxes on a parcel. Mortgage companies may provide list of mortgaged properties and pay fee of up to \$1.00 per parcel to receive list of delinquent property.	§ 78A(4)	
Mar 1, 2000	Property returned delinquent to county treasurer. ^{1/}	§ 79A(2)	4 % administration fee 1% interest per month begins to accrue (\$ 78A(3))
Jun 1, 2000	Notice of delinquency sent via first-class mail.	§ 78B	
Sep 1, 2000	Notice of delinquency sent via first-class mail.	§ 78C	
Oct 1, 2000	\$15.00 fee added.	§ 78D	\$15 fee (§§ 78D, 78P)
Nov 1, 2000	County treasurer prepares a list of property subject to forfeiture.	§ 78E(1)	
Nov 1, 2000 - Dec 1, 2000	County treasurer determines based on county treasurer records to the extent possible: street address of property and name and address of: owner, holder of undischarged mortgage, tax certificate holder, holder of other legal interest, subsequent purchaser under land contract.	§ 78E(2)	
Feb 1, 2001	Notice of delinquency and forfeiture sent via certified mail. Notice sent to "Occupant" first-class mail. County Treasurer may publish additional notice.	§ 78F(1) § 78F(2) § 78F(3)	
Mar 1, 2001	Property forfeited to county treasurer. Interest increases to 1.5% per month retroactive to March 1 on which taxes returned delinquent.	§ 78G(1) § 78G(3)	\$175 fee (§§ 78G(1), 78P) 1.5% interest begins to accrue, retroactive to Mar 1, 2000. (§78G(3)(B)).
April 15, 2001	County treasurer records Certificate of Forfeiture with county register of deeds.	§ 78G(2)	

^{1/}Tax Lien Sales for 1997 and 1998 taxes which would have been held in May 2000 and May 2001 may be canceled if a county is "self-funding" or has no "outstanding notes."
 1997 taxes returned for forfeiture and foreclosure under new system on March 1, 2000. (§ 60A(1)).
 1998 taxes returned for forfeiture and foreclosure under new system on March 1, 2001. (§ 60A(2)).

• OPT-OUT / OPT-IN POINT •

If a county, pursuant to §78, elects to have the state foreclose and sell tax delinquent property, the state functions as the Foreclosing Governmental Unit ("FGU") and forwards to the state the \$175 fee within 30 days of collection.

If a county elects to foreclose and sell property, the county treasurer functions as the FGU and retains the \$175 fee collected pursuant to §§ 78G(1), 78P.

May 1, 2001	FGU contracts with title company.	§ 78I
Jun 15, 2001	FGU files foreclosure petition with circuit court.	§ 78H
Jun 15, 2001 - Dec 31, 2001	FGU or agent visits each property forfeited and serves copy of notice to occupant, or if unoccupied, posts notice. Proof of service recorded with register of deeds.	§ 78I(3) § 78I(4)
	<i>Notice of foreclosure by certified mail.</i>	§ 78I(2)
	Notice by publication for 3 successive weeks.	§ 78I(5)
	Proof of notice filed with circuit court.	§ 78K
- Dec 31, 2002	FGU conducts show cause hearing.	§ 78J
Feb 1, 2002 - Mar 1, 2002	Court hearing on foreclosure petition.	§ 78H(4)
Feb 10, 2000 Mar 10, 2002	Circuit court enters judgment quieting title. Absolute title in FGU. FGU records judgment. Redemption rights expire.	§ 78K ✓
July 2002	First Land Sale (minimum bid).	§ 78M(2)
	Local government or county may obtain for minimum bid.	§ 78M(1)
	State may obtain by paying market value.	§ 78M(1)
Sep 2002	Second Land Sale (minimum bid).	§ 78M(4)
	Local government may obtain for minimum bid.	§ 78M(3)
Nov 2002	Third Land Sale (no minimum bid).	§ 78M(5)
Dec 2002	Remaining property may be transferred to local units with consent. Unsold property not sold or transferred retained by FGU.	§ 78M(6)

**MICHIGAN ASSOCIATION OF COUNTY TREASURERS
DRAFT COMPARISON OF TAX REVERSION FUNCTIONS BY LEVEL OF GOVERNMENT**

CURRENT LAW

LOCAL GOVERNMENT	COUNTY	STATE
<ul style="list-style-type: none"> • Collect current taxes. • Reuse parcels transferred to local government. 	<ul style="list-style-type: none"> • Collect delinquent taxes. • Administer tax delinquent revolving funds for early 100% payment of taxes to taxing jurisdictions. • Notify property owners of delinquent taxes. • Conduct auction sale of liens against property for unpaid delinquent taxes 	<ul style="list-style-type: none"> • Provide notice and acquire title to tax delinquent property by foreclosing tax liens not sold at auction. • Provide for sale and disposition of tax reverted property. • Administer unsold or unclaimed parcels.

HB 4489 (H-3), with COUNTY OPT-OUT

LOCAL GOVERNMENT	COUNTY	STATE
<ul style="list-style-type: none"> • Collect current taxes. • Reuse parcels transferred to local government. • Certify abandoned property (optional). 	<ul style="list-style-type: none"> • Collect delinquent taxes. • Administer tax delinquent revolving funds for early 100% payment of taxes to taxing jurisdictions. • Notify property owners of delinquent taxes. • Reuse parcels obtained by county. 	<ul style="list-style-type: none"> • Provide notice and acquire clear title to tax delinquent property through judicial foreclosure. • Provide for sale & disposition of reverted property. • Administer unsold or unclaimed parcels. • Reuse parcels obtained by state.

HB 4489 (H-3), with COUNTY OPT-IN

LOCAL GOVERNMENT	COUNTY	STATE
<ul style="list-style-type: none"> • Collect current taxes. • Reuse parcels obtained by local government. • Certify abandoned property (optional). 	<ul style="list-style-type: none"> • Collect delinquent taxes. • Administer tax delinquent revolving funds for early 100% payment of taxes to taxing jurisdictions. • Notify property owners of delinquent taxes. • Provide notice and acquire clear title to tax delinquent property through judicial foreclosure. • Provide for sale & disposition of reverted property. • Administer unsold or unclaimed parcels. • Reuse parcels obtained by county. 	<ul style="list-style-type: none"> • Reuse parcels obtained by state.

MICHIGAN ASSOCIATION OF COUNTY TREASURERS

DRAFT SUMMARY OF REVENUE SOURCES FOR REVISED TAX REVERSION PROCESS -
HOUSE BILL No. 4489 (H-3)

HB 4489 (H-3) WITH COUNTY OPT-OUT

COUNTY	STATE
<p>4% County Property Tax Administration Fee.</p> <p>1% Interest per month.</p> <p>\$15 fee (subject to annual increase by Department of Treasury)</p> <p>Additional interest of 0.5% per month, retroactive to date of delinquency if taxes delinquent for more than 1 year.</p> <p>Unpaid notice costs and fee for recording certificate of forfeiture recoverable from redemption proceeds or state sale proceeds.</p>	<p>\$175 fee (subject to annual increase by Department of Treasury)</p> <p>Unpaid notice costs, service of process costs, and recording fees recoverable from redemption proceeds or sale proceeds.</p> <p>Unpaid foreclosure proceeding expenses, notice costs, service of process costs, expense of sale and property maintenance costs recoverable from sale proceeds.</p>

HB 4489 (H-3) WITH COUNTY OPT-IN

COUNTY	STATE
<p>4% County Property Tax Administration Fee.</p> <p>1% Interest per month.</p> <p>\$15 fee (subject to annual increase by Department of Treasury)</p> <p>Additional interest of .5% per month, retroactive to date of delinquency if taxes delinquent for more than 1 year.</p> <p>\$175 fee (subject to annual increase by Department of Treasury)</p> <p>Unpaid notice costs, service of process costs, and recording fees recoverable from redemption proceeds or sale proceeds.</p> <p>Unpaid foreclosure proceeding expenses, notice costs, service of process costs, expense of sale and property maintenance costs recoverable from sale proceeds.</p>	

MICHIGAN ASSOCIATION OF COUNTY TREASURERS

DRAFT COUNTY REVENUE COMPARISON

Delinquent 1999 Taxes Paid Under Current Law with Tax Lien Sold vs. House Bill No. 4489 (H-3)

Assumes local unit returns a total of \$1,000.00 delinquent to county treasurer on March 1, 2000.

	CURRENT LAW		OPT-OUT		OPT-IN	
Mar 2000	\$1,050.00	4% property tax admin. fee 1% interest per month	\$1,050.00	4% property tax admin. fee 1% interest per month	\$1,050.00	4% property tax admin. fee 1% interest per month
Apr 2000	\$1,060.00		\$1,060.00		\$1,060.00	
May 2000	\$1,070.00		\$1,070.00		\$1,070.00	
Jun 2000	\$1,080.00		\$1,080.00		\$1,080.00	
Jul 2000	\$1,090.00		\$1,090.00		\$1,090.00	
Aug 2000	\$1,100.00		\$1,100.00		\$1,100.00	
Sep 2000	\$1,110.00		\$1,110.00		\$1,110.00	
Oct 2000	\$1,120.00		\$1,135.00	\$15.00 fee	\$1,135.00	\$15.00 fee
Nov 2000	\$1,130.00		\$1,145.00		\$1,145.00	
Dec 2000	\$1,140.00		\$1,155.00		\$1,155.00	
Jan 2001	\$1,150.00		\$1,165.00		\$1,165.00	
Feb 2001	\$1,160.00		\$1,175.00		\$1,175.00	
Mar 2001	\$1,170.00		\$1,250.00	Additional 0.5% interest retroactive to Mar 1, 2000	\$1,425.00	\$175 fee Additional 0.5% interest retroactive to Mar 1, 2000
Apr 2001	\$1,180.00		\$1,265.00		\$1,440.00	
May 2001	\$1,190.00		\$1,280.00		\$1,455.00	
Jun 2001	\$1,200.00		\$1,295.00		\$1,470.00	
Jul 2001	\$1,210.00		\$1,310.00		\$1,485.00	
Aug 2001	\$1,220.00		\$1,325.00		\$1,500.00	
Sep 2001	\$1,230.00		\$1,340.00		\$1,515.00	
Oct 2001	\$1,245.00	\$10.00 tax sale fee (\$5.00 to county \$5.00 to state)	\$1,355.00		\$1,530.00	
Nov 2001	\$1,255.00		\$1,370.00		\$1,545.00	
Dec 2001	\$1,265.00		\$1,385.00		\$1,560.00	
Jan 2002	\$1,275.00		\$1,400.00		\$1,575.00	
Feb 2002	\$1,285.00		\$1,415.00		\$1,590.00	
Mar 2002	\$1,295.00		\$1,430.00	State Land Sale Min. Bid	\$1,605.00	County Land Sale Min. Bid
Apr 2002	\$1,305.00					
				Unpaid notice and recording fees recoverable from redemptions or state sale proceeds.		Unpaid notice, service of process and recording fees recoverable from redemptions or sale proceeds.
May 2002	\$1,315.00					Unpaid foreclosure proceeding, notice, service of process, sale, and property maintenance costs payable from sale proceeds.
	\$1,345.00	Tax Lien Sale Amount Includes additional 0.25% interest retroactive to Mar 1, 2000				

COMPARISON OF CURRENT AND NEW TAX-REVERSION PROCESSES

On July 22, 1999, Governor Engler signed into law significant changes to the Michigan tax-reversion process. The new process will apply to property taxes levied after December 31, 1998, while the current process will apply to taxes levied before January 1, 1999. Significant dates, during calendar years 1999 through 2002, are as follows:

	<u>Current Process</u>	<u>New Process</u>
January 4, 1999	Deadline for notice by county treasurers regarding impending expiration of one-year redemption period for 1995 delinquent taxes	
March, 1999	Start of DNR land sales for 1993 State-foreclosed delinquent taxes	
March 1, 1999	1998 taxes returned delinquent 4 percent county property tax administration fee and 1 percent per month interest attach	
April, 1999	Conclusion of <i>Dow</i> Hearings for 1992 delinquent taxes	
May 4, 1999	Annual tax lien sale for 1996 delinquent taxes Expiration of one-year redemption period for 1995 delinquent taxes Start of six-month redemption period for 1995 State-foreclosed delinquent taxes	
June 30, 1999	First notice sent by county treasurers for 1998 delinquent taxes	
July 1, 1999	Summer tax levy	Summer tax levy
July 3, 1999	Statutory date for State Treasurer conveyance to DNR of property bid to the State for 1995 delinquent taxes	
August, 1999	Conclusion of DNR land sales for 1993 State-foreclosed delinquent taxes	
October 1, 1999	\$10.00 per parcel fee attaches	Public Act 123 of 1999 takes effect
November 1, 1999	Expiration of six-month redemption period for 1995 State-foreclosed delinquent taxes Preparation for start of <i>Dow</i> hearings for 1995 State-foreclosed delinquent taxes	

	<u>Current Process</u>	<u>New Process</u>
December 1, 1999	Winter tax levy	Winter tax levy
January 2, 2000	Deadline for notice by county treasurers regarding impending expiration of one-year redemption period for 1996 delinquent taxes	Deadline for county "opt out" decision
March, 2000	Start of DNR land sales for 1993 State-foreclosed delinquent taxes	
March 1, 2000		1999 taxes returned delinquent
		4 percent county property tax administration fee and 1 percent per month noncompounded interest attach for 1999 delinquent taxes
		Deadline for review of \$15.00 and \$175.00 per parcel fees by State Treasurer
April, 2000	Conclusion of <i>Dow</i> Hearings for 1993 delinquent taxes	
April 3, 2000	Deadline for third notice sent by county treasurers for 1997 delinquent taxes	
May 2, 2000	Annual tax lien sale for 1997 delinquent taxes (unless sale is cancelled by county treasurer, in which case 1997 taxes are foreclosed under new process)	
	Expiration of one-year redemption period for 1996 delinquent taxes	
	Start of six-month redemption period for 1996 State-foreclosed delinquent taxes	
June 1, 2000		Deadline for first notice (first-class mail) sent by county treasurers for 1999 delinquent taxes
June 30, 2000	Second notice sent by county treasurers for 1998 delinquent taxes	
July 1, 2000	Summer tax levy	Summer tax levy
July 2, 2000	Statutory date for State Treasurer conveyance to DNR of property bid to the State for 1996 delinquent taxes	

	<u>Current Process</u>	<u>New Process</u>
August, 2000	Conclusion of DNR land sales for 1994 State-foreclosed delinquent taxes	
September 1, 2000		Deadline for second notice (first-class mail) sent by county treasurers for 1999 delinquent taxes
October 1, 2000	\$10.00 per parcel fee attaches for 1998 delinquent taxes	\$15.00 per parcel fee attaches for 1999 delinquent taxes
November 1, 2000		Forfeiture list prepared by county treasurers for 1999 delinquent taxes
November 6, 2000	Expiration of six-month redemption period for 1996 State-foreclosed delinquent taxes Preparation for start of <i>Dow</i> hearings for 1996 delinquent taxes	
December 1, 2000	Winter tax levy	Winter tax levy Deadline for determination by county treasurers of property addresses, names of owners, mortgagees, and land contract holders
January 1, 2001	If 2000 tax lien sale was held: Deadline for notice by county treasurers regarding impending expiration of one-year redemption period for 1997 delinquent taxes	
February 1, 2001		Deadline for third notice (certified mail) sent by county treasurers for 1999 delinquent taxes
March, 2001	Start of DNR land sales for 1995 State-foreclosed delinquent taxes	
March 1, 2001		2000 taxes returned delinquent 4 percent county property tax administration fee and 1 percent per month noncompounded interest attach Subject to a right of redemption, property forfeits for 1999 delinquent taxes \$175.00 per parcel fee and additional 0.5 percent per month interest attach for 1999 de-

March 1, 2001
(continued)

Current Process

New Process

linquent taxes, (additional interest is retro-active to March 1, 2000)

Deadline for review of \$15.00 and \$175.00 per parcel fees by State Treasurer

Personal visit required by foreclosing governmental unit (county treasurer or State) to forfeited property after forfeiture occurs

April, 2001

Conclusion of *Dow* Hearings for 1994 (and possibly 1995) delinquent taxes

April 2, 2001

Deadline for third notice sent by county treasurers for 1998 delinquent taxes

April 15, 2001

Deadline for county treasurers to record forfeiture certificate with register of deeds for 1999 delinquent taxes

May 1, 2001

Annual tax lien sale for 1998 delinquent taxes (unless sale is cancelled by county treasurer, in which case 1998 taxes are foreclosed under new process)

Deadline for foreclosing governmental unit to begin title work for 1999 delinquent taxes

If 2000 tax lien sale was held:

Expiration of one-year redemption period for 1997 delinquent taxes

Start of six-month redemption period for 1997 State-foreclosed delinquent taxes

June 1, 2001

Deadline for first notice (first-class mail) sent by county treasurers for 2000 delinquent taxes

June 15, 2001

Deadline for foreclosing governmental unit to file foreclosure petition with circuit court requesting judicial hearing date for 1999 delinquent taxes

July 1, 2001

Summer tax levy

Summer tax levy

If 2000 tax lien sale was held:

Statutory date for State Treasurer conveyance to DNR of property bid to the State for 1997 delinquent taxes

	<u>Current Process</u>	<u>New Process</u>
August, 2001	Conclusion of DNR land sales for 1996 State-foreclosed delinquent taxes	
September 1, 2001		Deadline for second notice (first-class mail) sent by county treasurers for 2000 delinquent taxes
October 1, 2001		\$15.00 per parcel fee attaches for 2000 delinquent taxes
November 1, 2001		Forfeiture list prepared by county treasurers for 2000 delinquent taxes
November 6, 2001	If 2000 tax lien sale was held: Expiration of six-month redemption period for 1997 delinquent taxes Preparation for start of <i>Dow</i> hearings for 1997 delinquent taxes	
December 1, 2001	Winter tax levy	Winter tax levy
January 7, 2002	If 2001 tax lien sale was held: Deadline for notice by county treasurers regarding impending expiration of one-year redemption period for 1998 delinquent taxes	
February 25, 2002		Deadline for foreclosing governmental unit to hold administrative show cause hearing
March, 2002	Start of DNR land sales for 1996 State-foreclosed delinquent taxes	
March 1, 2002		2001 taxes returned delinquent 4 percent county property tax administration fee and 1 percent per month noncompounded interest attach for 2001 delinquent taxes Subject to a right of redemption, property forfeits for 2000 delinquent taxes \$175.00 per parcel fee attach and additional 0.5 percent month interest attach for 1999 delinquent taxes, (additional interest is retroactive to March 1, 2001)

March 1, 2002 (continued)	<u>Current Process</u>	<u>New Process</u>
		Deadline for review of \$15.00 and \$175.00 per parcel fees by State Treasurer
		Deadline for judicial foreclosure hearing for 1999 delinquent taxes
March 10, 2002		Deadline for circuit court entry foreclosure judgment in uncontested cases for 1999 delinquent taxes (deadline in contested cases is ten days after conclusion of hearing)
April, 2002	If 2000 tax lien sale was held: Conclusion of <i>Dow</i> Hearings for 1996 delinquent taxes	
April 1, 2002		Deadline (uncontested cases) for filing appeal with court of appeal for 1999 delinquent taxes
April 15, 2002		Deadline for county treasurers to record forfeiture certificate with register of deeds for 2000 delinquent taxes
May 1, 2002		Deadline for foreclosing governmental unit (county treasurer or State) to begin title work for 2000 delinquent taxes
May 7, 2002	If 2001 tax lien sale was held: Expiration of one-year redemption period for 1998 delinquent taxes Start of six-month redemption period for 1998 State-foreclosed delinquent taxes	
June 1, 2002		Deadline for first notice (first-class mail) sent by county treasurers for 2001 delinquent taxes
June 15, 2002		Deadline for foreclosing governmental unit to file foreclosure petition with circuit court requesting judicial hearing date for 2000 delinquent taxes
July 1, 2002	Summer tax levy	Summer tax levy
July 16, 2002	If 2000 tax lien sale was held:	Starting date for foreclosing government unit to conduct first land sale of property

	<u>Current Process</u>	<u>New Process</u>
July 16, 2002 (continued)	Statutory date for State Treasurer conveyance to DNR of property bid to the State for 1998 delinquent taxes	forfeited for 1999 delinquent taxes (July sale is optional)
July 30, 2002		Deadline for completion of July sale
August, 2002	Conclusion of DNR land sales for 1996 State-foreclosed delinquent taxes	
September 1, 2002		Deadline for second notice (first-class mail) sent by county treasurers for 2001 delinquent taxes
September 17, 2002		Starting date for foreclosing government unit to conduct second land sale of property forfeited for 1999 delinquent taxes
October 1, 2002		\$15.00 per parcel fee attaches for 2001 delinquent taxes
		Deadline for completion of September sale of property forfeited for 1999 delinquent taxes
November 1, 2002		Forfeiture list prepared by county treasurers for 2001 delinquent taxes
November 4, 2002	If 2001 tax lien sale was held: Expiration of six-month redemption period for 1998 State-foreclosed delinquent taxes Preparation for start of <i>Dow</i> hearings for 1998 delinquent taxes	
November 19, 2002		Starting date for foreclosing government unit to conduct third land sale, if necessary, of property forfeited for 1999 delinquent taxes
December 1, 2002	Winter tax levy	Winter tax levy
		Deadline for foreclosing government unit to transmit list of unsold properties to city, village, or township clerk

Current Process

December 3, 2002

December 30, 2002

December 31, 2002

New Process

Deadline for completion of December sale of property forfeited for 1999 delinquent taxes

Unsold property is transferred by foreclosing government unit to city, village, or township unless city, village, or township filed a written objection to a given parcel

Termination of State Treasurer's authorization to review and/or adjust the \$15.00 and \$175.00 per parcel fees

I. INTRODUCTION

One of the unique features contained in Act 123 of the Public Acts of 1999 is the provision which permits counties (with consent of the treasurer and county executive, if one exists) to turn over the actual circuit court foreclosure and the ultimate land sale to the State of Michigan.

Apparently, this provision was an attempt by the State to avoid being charged under the Headlee Amendment by the counties for extra expenses the counties had incurred because of this new procedure.

In addition, it was an obvious ploy by the state to attempt to shift possible liability for contaminated lands or other liability to the counties without any attempt to limit the liability or pay for it from state funds.

The duties of a county treasurer are quite different if a county opts out and the decision as to whether to do so or not must be made by December 1st of this year.

II. COMPARISONS OF PROCEDURES IF A COUNTY
FORECLOSES OR DOES NOT

A. DUTIES OF COUNTY TREASURER ARE DIFFERENT DEPENDING ON
IF A COUNTY DECIDES TO OPT OUT OF CONDUCTING THE
FORECLOSURE PROCEEDINGS AND LAND SALE IN THE FALL OF 1999

1. What Happens if the County decides to "opt out"

a. Collection of taxes, fees, etc.

The county treasurer still collects all delinquent taxes, interest, penalties and fees from March 1, 2001 right up to the date the foreclosure of the land is final without any further right of redemption.

The right of redemption expires 21 days after the circuit court enters its judgment of foreclosure which will occur in February or March of 2002.

b. What happens to the Fees?

- (i) \$175.00 Forfeiture Fee is Paid to the State Treasurer

The county treasurer is required to collect and remit to the state treasurer the \$175.00 forfeiture fee which becomes due on and after March 1, 2001 on every parcel of property which is redeemed. This is supposed to be paid within 30 days of collection.

- (ii) All other Delinquent Taxes Interest
(Including Extra 1/2 of 1% of Penalty
Interest Due from March 1, 2000 to date of
Payment) and fees

All of these other amounts are retained by the county treasurer and used to repay the delinquent tax revolving fund or, if there is no fund, the taxes and interest are paid to the local units. All fees remain with the county.

c. What About Partial Payments?

The rule here is to apply the money paid first to interest, next to taxes, and last to fees and penalties. REMEMBER COMPLETE PAYMENT IS NECESSARY TO AVOID FORECLOSURE

d. What About Land Sale Proceeds?

After the state conducts the land sales (the first of which is supposed to be in September of 2002) the state is suppose to pay back to delinquent tax revolving funds the amount of all taxes interest and fees.

If there is no revolving fund the state is not required to PAY ANYTHING!

There is no date by which these payments are to be paid.

2. What Happens if the County Does Not "Opt Out"?

The duties of the county treasurer are discussed in the rest of this section and in III and IV below.

B. MAY 1, 2001 TITLE SEARCH BEGINS

1. Timetable

Any time after March 1, 2001 but in no event later than May 1, 2001, the county treasurer (if the county has not elected to have the State of Michigan conduct the foreclosure sale) as the Foreclosing Governmental Unit must conduct a title search to identify the owners of a property interest in forfeited property who will be entitled to notice of the circuit court foreclosure hearing.

2. Purpose

a. Knowing Who to Notify

The purpose of this title search is to permit the Foreclosing Governmental Unit to obtain for the first time a complete record (to the extent one exists) of the persons who have any interest (title or lien) on the property to be foreclosed.

b. Preparing to Sell the Property

Not only will this permit good service of process on those entitled to notice of the circuit court foreclosure hearing but it provides a basis for a title company issuing a title commitment at the time the property is offered for clear title sale the next year, if it is not redeemed before foreclosure becomes final.

C. CIRCUIT COURT PETITION BY JUNE 15, 2001

1. Petition

Under section 78h, county treasurers who are serving as a Foreclosing Governmental Unit must file a petition for foreclosure listing all property which has been forfeited to the county treasurer on March 1, 2001 and not subsequently redeemed. The petition shall seek a judgment in favor of the Foreclosing Governmental Unit for the following:

- a. Unpaid delinquent taxes;
- b. Interest unpaid through the date of the judgment's effective date;
- c. Penalties, if any;
- d. Fees which have come due or will come due between March 1, 2001 and the date of the circuit court hearing. These include:
 - (i) \$15 fee due on October 1, 2000
 - (ii) \$175 fee due on March 1, 2001
 - (iii) Court costs, if any

The petition shall include a request that a judgment be entered vesting absolute title to each parcel of property in the Foreclosing Governmental Unit. An acceptable form of petition is attached as Appendix 3.

b. Time to File Petition

The petition to the circuit court may be filed any time after March 1, 2001 but must be filed by June 15, 2001. As soon as the Foreclosing Governmental Unit determines those whose properties were listed on December 1, 2000 as subject to forfeiture and who have not redeemed, the Petition can be filed. There is no advantage in waiting.

c. Date for Circuit Court Hearing

Where the petition is filed by the Foreclosing Governmental Unit under section 78h, the hearing may be held not more than 30 days before March 1, 2002. Accordingly, the court hearing can be held as early as January 29, 2002.

There is no advantage in delaying the hearing since the sooner the hearing is held the quicker the judgment can be entered and the sooner the Foreclosing Governmental Unit will know which parcels are to be in the clear title sale in July.

An optimum timetable would be as follows:

<u>Date</u>	<u>Action</u>
Jan 29, 2002	Circuit court holds hearing on Petition
Feb 5, 2002	Court enters judgment of foreclosure
Feb 27, 2002	Judgment is final. No more redemptions.

D. SET DATE FOR SECTION 78j ADMINISTRATIVE HEARING

1. Extra Procedure

At some last point in the legislative process, section 78j was added to Act 123 requiring that an extra administrative hearing be held by the Foreclosing Governmental Unit which must be held at least 7 days before the circuit court hearing. There is no limit on how much before the court hearing that this hearing can be held except that all persons entitled to notice of the hearing must receive it 30 days prior to the hearing.

2. Purpose of the Hearing

The real purpose of the hearing is obscure. Apparently someone thought this additional hearing would somehow improve due process, which, of course, is silly.

If a person entitled to notice is to prevail he or she had better show up in Court to protest since the court is the one who will foreclose his property.

Moreover, the more requirements which are added to the process, the better the chance that some of the procedures will be missed.

As a final aside, section 78i(2) of Act 123 also contains language indicating that any failure to follow some of the provisions of this act are not grounds for setting aside the foreclosure so long as minimum Federal Constitutional due process requirements are met.

Since this "hearing" required by Section 78k is totally unnecessary to meet federal due process requirements, the inclusion of this requirement in Act 123 amounts to surplusage of notice which if it is missed will not be grounds to avoid the foreclosure.

4. File Proof of Service of Notice of the Administrative Hearing with the Circuit Court

As is the case of for the court hearing it will be necessary to file with the clerk of the court proof of any notice, service or publication required under this act BEFORE THE DATE OF THE HEARING. Since the notice of this hearing should be combined with the notice of the court hearing the one filing for both purposes will suffice so long as it is done before the date of the hearing.

5. How to Hold the Hearing

The section 78j hearing may be held all at one time or if the county treasurer chooses to do so a series of hearing
May be held. There are no details in the statute as to how to hold this hearing. To avoid complicated multiple hearing, county treasurers should set one day for a hearing at a specific time. The date should be at least 30 days before the court hearing so that if there is something of substance raised at the hearing, there will be time to resolve it before the court hearing.

6. Basis for Relief at the Hearing

Section 78k)2) sets forth the grounds for relief (which are the same as in circuit court). It provides:

- (a) No law authorizes the tax;
- (b) The person appointed to decide whether a tax shall be levied under a law of this state acted without jurisdiction or did not impose the tax in question;
- (c) The property was exempt from the tax in question, or the tax was not legally levied;
- (d) The tax has been paid within the time limited by law for payment or redemption;
- (e) The tax was assessed fraudulently;
- (f) The description of the property used in the assessment was so indefinite or erroneous that the forfeiture was void.

Unless there is an obvious basis for relief, the Foreclosing Governmental Unit should leave the decision (especially if there is any dispute of facts) to the circuit court.

If the Foreclosing Governmental Unit determines that the person who appears at the hearing (the owner or a person with an interest) has shown to the satisfaction of the hearing officer cause for removing the property from the foreclosure proceeding, it is removed. Similarly, the amount due may be adjusted by the Foreclosing Governmental Unit.

7. Redemption

The person appearing at the hearing has the right to redeem by paying whatever is due.

E. SERVICE OF NOTICE OF THE CIRCUIT COURT AND SECTION 78j HEARINGS

1. Persons Entitled to Notice

a. Owners of a Property Interest in the Property

The principal purpose of the title report is to obtain a list of persons who have a legal interest of any sort in the property. The title report should help with an address for mailing and service of process.

b. A Person Entitled to Notice Under 78a(4)

Those people who have paid for notices to be sent should be already be on the list of persons to notify.

c. A Tax Title Buyer on the Property to Whom Tax Deed has Been Issued

The county treasurer should have a list of these persons.

2. Type of Notice

a. Certified Mail Notice [78(i)(2)]

This notice must be mailed by certified mail return receipt requested not less than 30 days before the section 78k hearing is held.

b. Personal Visit to the Property [78(i)(3)]

The county treasurer or an authorized representative must make a personal visit to each parcel of property forfeited (AND NOT YET REDEEMED) to determine if it is occupied.

(i) Occupied Property

If someone is found there:

- (a) Attempt to personally serve upon a person occupying the property a copy of a notice of the show cause hearing under section 78j and the foreclosure hearing under section 78k.
- (b) If a person occupying the property is personally served, orally inform the occupant that the property will be foreclosed and the occupants will be required to vacate unless all forfeited unpaid delinquent taxes, interest, penalties, and fees are paid, of the time within which all forfeited unpaid delinquent taxes, interest, penalties and fees must be paid, and of agencies or other resources that may be available to assist the owner to avoid loss of the property;

- (c) If the occupant appears to lack the ability to understand the advice given, notify the family independence agency or provide the occupant with the names and telephone number of the agencies that may be able to assist the occupant.

- (ii) Unoccupied Property

If the Foreclosing Governmental Unit or its authorized representative is not able to personally meet with the occupant, the foreclosing governmental unit or its authorized representative shall place the notice in a conspicuous manner on the property and shall also place in a conspicuous manner on the property and shall also place in a conspicuous manner on the property a notice that explains, in plain English, that the property will be foreclosed unless forfeited unpaid delinquent taxes, penalties, interest, and fees are paid, the time within which forfeited unpaid delinquent taxes, interest, penalties and fees must be paid, and the names, addresses, and telephone numbers of agencies or other resources that may be available to assist the occupant to avoid loss of the property. If this state is the Foreclosing Governmental Unit within a county, the department of natural resources shall perform the personal visit to each parcel of property under this subsection on behalf of this state.

- b. Personal Service of Notice Upon Anyone with a Property Interest

- (i) Who

This includes everyone to whom notices have been sent in the past if you have the name and address.

- (ii) How to Determine Owners of a Property Interest

The owner of a property interest is entitled to notice if the owner's interest was identifiable by reference to the title report and any of the following sources before the date the county treasurer records the certificate of forfeiture required by section 78a(2):

- (a) Records in the office of the county register of deeds;

- (b) Tax records in the office of the county treasurer;
- (c) Records in the office of the local assessor;
- (d) records in the office of the local treasurer.

3. Content of Notice

At a minimum the notice must contain:

- (a) The date on which the property was forfeited to the county treasurer;
- (b) A statement that the person notified may lose his or her interest in the property as a result of the foreclosure proceeding under section 78k.
- (c) A legal description or parcel number of the property and the street address of the property, if possible;
- (d) All persons to whom the notice is addressed;
- (e) The total taxes, interest, penalties, and fees due on the property;
- (f) The date and time of the show cause hearing under section 78j;
- (g) The date and time of the hearing on the petition for foreclosure under section 78k and a statement that unless the forfeited unpaid delinquent taxes, interest, penalties, and fees are paid within 21 days after judgment is entered in the foreclosure proceeding under section 78k, the title to the property shall vest absolutely in the Foreclosing Governmental Unit;
- (h) An explanation of the person's rights of redemption and notice that the rights of redemption will expire 21 days after judgment is entered in the foreclosure proceeding under section 78k.

F. ADVERTISED NOTICE TO COVER EVERYONE UPON WHOM
PERSONAL SERVICE WAS NOT POSSIBLE [78i(6)]

1. Persons Included

Persons whose address could not be located or who could not be served personally.

2. Notice Type

Same as for personal service.

3. Type of Publication

Notice must be published once each week for 3 successive weeks in newspapers published in the county or if there is not one then published then one published in an adjoining county. The newspaper is chosen by the county treasurer if he or she is the Foreclosing Governmental Unit.

G. FILING PROOF OF SERVICE OF NOTICE INCLUDING BOTH THE
COURT HEARING AND THE SECTION 78j HEARING

1. Content

a. Mailed Notices

An affidavit of mailing all notices required to be mailed (regular or certified) during the foreclosure process.

b. An Affidavit of Service or Attempt to Personally Serve Any Owner of a Property Interest Including Anyone Found on the Property

c. An Affidavit of Publication of the Published Notice ,

2. Location of Filing

- a. Clerk of the circuit court.
- b. The register of Deed. (recorded)

3. Deadline

If the county treasurer is the Foreclosing Unit the State of Michigan may purchase any parcel of property by paying the greater of minimum bid or fair market value. This right expires on the first Tuesday in July.

b. City, Village, Township, Right to Purchase

If the state does not exercise its right to purchase a city, village or township may purchase any property in such city, village or township for the minimum bid less the city, village or township's own delinquent taxes, interest, penalties and fees due on those taxes. This right expires on the second Tuesday in July. If both a village and township want to purchase the same land there is no way provided with the statute to decide which entity gets it. The solution here is to sell it to them jointly.

c. County Right to Purchase

If neither the state nor any city, village or township exercises its right to purchase, the county may purchase for the minimum bid amount less its own delinquent taxes, interest, penalties and fees. This right expires on the second Tuesday in July.

6. Combination Of Sales

Any two or more counties of adjacent counties may combine their land sales.

This provision does not apply to the state treasurer which must hold the sale in the county where the land is located.

7. Conduct of Sale

The Foreclosing Governmental Unit may hire someone to sell the property at the auction and they should insist on obtaining a title commitment for the property being offered before the sale is held. The cost of the title commitment is paid by the buyer (if there is one) and may be recovered as a cost of sale if there is not.

B. SEPTEMBER SALE

1. Date

The sale which is mandatory must be held by the Foreclosing Governmental Unit or someone appointed by him or her by auction to be held beginning on the third Tuesday in September.

2. Advertisement of Notice of Sale

At least 30 days prior to the sale an advertisement of the auction must be published in a newspaper circulated in the county where the sale is to be held, or, if none in an adjoining county.

3. Terms of Sale

Individual parcels or blocks of parcels may be offered for sale.

4. Minimum Bid

The "minimum bid" at which the property may be offered for sale shall be the total of the following

- (a) All delinquent taxes, interest, penalties and fees due on the property;
- (b) The expenses of administering the sale including all preparations for the sale;

5. Right To Purchase Property From The Foreclosing Governmental Unit

a. State Right of First Referral

If this is the first sale (the July sale was not held) and if the county treasurer is the Foreclosing Unit the State of Michigan may purchase any parcel of property by paying the greater of minimum bid or fair market value. This right expires on the first Tuesday in September.

b. City, Village, Township, Right to Purchase

If this is the first sale (there was no July sale) and the state does not exercise its right to purchase

a city, village or township may purchase any property in such city, village or township for the minimum bid less the city, village or township's own delinquent taxes, interest, penalties and fees due on those taxes. This right expires on the second Tuesday in September. If both a village and township want to purchase the same land there is no way provided in the statute to decide which entity gets it. The solution here is to sell it to them jointly.

c. County Right to Purchase

If this is the first sale (there was no July sale) neither the state nor any city, village or township exercises its right to purchase, the county may purchase for the minimum bid amount less its own delinquent taxes, interest, penalties and fees. This right expires on the second Tuesday in September.

6. Combination Of Sales

Any two or more counties of adjacent counties may combine their land sales.

This provision does not apply to the state treasurer which must hold the sale in the county where the land is located.

7. Conduct of Sale

The Foreclosing Governmental Unit may hire someone to sell the property at the auction and they should insist on obtaining a title commitment for the property being offered before the sale is held. The cost of the title commitment is paid by the buyer (if there is one) and may be recovered as a cost of sale if there is not.

C. DECEMBER SALE

1. Date

The sale which is mandatory must be held by the Foreclosing Governmental Unit or someone appointed by him or her by auction to be held beginning on the third Tuesday in November.

2. Advertisement of Notice of Sale

At least 30 days prior to the sale an advertisement of the auction must be published in a newspaper circulated in the county where the sale is to be held, or, if none in an adjoining county.

3. Terms of Sale

Individual parcels or blocks of parcels may be offered for sale.

4. Minimum Bid

There is no minimum bid.

5. Right To Purchase Property From The Foreclosing Governmental Unit

There is no such right.

6. Combination Of Sales

Any two or more counties of adjacent counties may combine their bond sales.

This provision does not apply to the state treasurer which must hold the sale in the county where the land is located.

7. Conduct of Sale

The Foreclosing Governmental Unit may hire someone to sell the property at the auction and they should insist on obtaining a title commitment for the property being offered before the sale is held. The cost of the title commitment is paid by the buyer (if there is one) and may be recovered as a cost of sale if there is not.

D. PROCEEDS OF THE LAND SALE

1. Who Collects?

The Foreclosing Governmental Unit (either the county treasurer or the State of Michigan) collects all proceeds from the land sales.

RESOLUTION 99-40

**APPROVING COOPERATIVE REIMBURSEMENT IV-D PROGRAM
AGREEMENT FOR THE ST. CLAIR COUNTY FRIEND OF THE COURT
FOR 2000**

WHEREAS, the Michigan Department of Social Services proposed to renew its "Cooperative Reimbursement (IV-D) Program" wherein direct grants are made to the counties under the provisions and in accordance with Title IV-D of the Social Security Act, as amended, and the provisions of part 304, Chapter III, Title 45, Code of Federal Regulations for the purpose of staffing sufficient personnel to assist in the collection of money for recipients of the A.D.C. Program, and other service programs, as well as certain services rendered by the Friend of the Court's office.

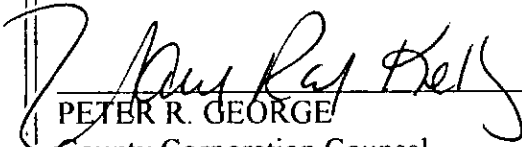
WHEREAS, payment shall be made on the basis of the program budget, a copy of which is attached hereto and made a part hereof, provided that no more than One Million Eight Hundred Eight Two Thousand Five Hundred Forty Six and no/100 dollars (\$1,882,546.00) shall be paid from combined County and State funds during the life of this agreement, provided further that Four Hundred Ninety Five Thousand, Two Hundred Ninety Seven and no/100 dollars (\$495,297.00) of the above amount is the County's appropriation contributed to Title IV-D Program.

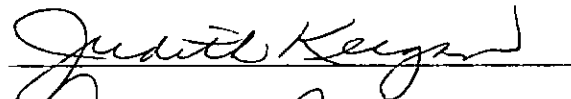
NOW, THEREFORE, BE IT RESOLVED THAT:

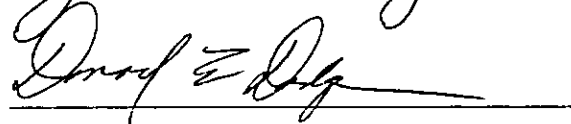
1. The St. Clair County Board of Commissioners does hereby approve the execution of the Cooperative Reimbursement Program Agreement between the Friend of the Court for the County of St. Clair and the Michigan Family Independence Agency.
2. The Chairperson of this Board is hereby authorized to execute said agreement for and on behalf of St. Clair County.
3. A copy of said Agreement is attached hereto and made a part hereof.
4. All resolutions and parts of resolutions, insofar as the same conflict with the provisions of this resolution be, and the same hereby are rescinded.

DATED: October 27, 1999

REVIEWED AND APPROVED
AS TO FORM BY:


PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







Contract No:	CS/FOC-00-74001
Amount:	\$1,882,546.00
Index Code:	93100
Prog Cost Acct (PCA):	81135
Agency Object Code:	6155
Commodity Code:	FTR 1002
Federal I.D.#:	38-6006420
Mail Code:	021
Method of Payment:	Actual Cost
TANF Funds:	None

AGREEMENT
between
FAMILY INDEPENDENCE AGENCY
and
THE COUNTY OF ST CLAIR

This Agreement, effective the first day of October 1999 and ending the thirtieth day of September 2000, is by and between the **Family Independence Agency**, having a mailing address of 235 S. Grand Avenue, P.O. Box 30037, Lansing, Michigan 48909 (hereinafter referred to as "FIA"), the **County of ST CLAIR**, a public organization, having a mailing address of 201 McMorran Blvd., Port Huron, MI 48060, (hereinafter referred to as "Contractor"), and the **Chief Circuit Judge for the Court** (hereinafter referred to as "Court").

WHEREAS, FIA is authorized to contract with State or local units of government and private agencies under the provisions of MCLA 400.10; and,

WHEREAS, FIA has the authority to enter into a Cooperative Agreement under and in accordance with policies established by FIA, as well as under and in accordance with Title IV-D of the Social Security Act as amended and the provisions of part 302.34 and 304, Chapter III, Title 45, Code of Federal Regulations; and

WHEREAS, FIA is desirous of purchasing services, and the Contractor and Court desire to provide services in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the above, and in consideration of the promises and mutual covenants hereinafter contained, the parties hereto agree as follows:

I. GENERAL PROVISIONS

A. FIA's Source of Funds-Termination

FIA's payment of funds for purposes of this Agreement is subject to and conditional upon the availability of funds for such purposes, being Federal and/or State funds. No commitment is made by FIA to continue or expand such activities. FIA may terminate this Agreement immediately upon written notice to the Contractor and Court at any time prior to the completion of this Agreement if, in the opinion of FIA, funding becomes unavailable for this service or such funds are restricted.

B. Civil Service Rules and Regulations

The State of Michigan is obligated to comply with Article XI Section 5 of the Michigan constitution and applicable civil service rules and regulations. Other provisions to this Agreement notwithstanding, the state personnel director is authorized to disapprove contractual disbursements for personal services if the state personnel director determines that the contract violates Article XI Section 5 of the Michigan constitution or applicable civil service rules and regulations.

C. Fees and Other Sources of Funding

The Contractor and Court guarantee that any claims made to FIA under this Agreement shall not be financed by any source, including client fees, other than FIA under the terms of this Agreement. If funding is received through any other source, the Contractor and Court agree to delete from Contractor and Court billings, or to immediately refund to FIA, the total amount representing such duplication of funding.

D. Review and Monitoring Reports

The Contractor and Court shall comply with all program and fiscal reporting procedures at time intervals and on specified forms as established by the FIA on the beginning date of this Agreement. Any additional reports, which the FIA proposes to be completed shall be completed pursuant to agreement by the parties to this Agreement. Reports or billing documents denoting event dates shall record month, day, and year as specified by FIA. In all electronic filings, four digits shall be used to designate century.

E. Examination and Maintenance of Records

The Contractor and Court shall permit FIA or any of its identified agents access to the facilities being utilized at any reasonable time to observe the operation of the program. Further, the Contractor and Court shall retain all books, records or other documents relevant to this Agreement for five (5) years after final payment, at their

cost, and Federal auditors and any persons duly authorized by FIA shall have full access to and the right to examine and audit any of said material during said period. If an audit is initiated prior to the expiration of the five-year period, and extends past that period, all documents shall be maintained until the audit is completed. FIA shall provide findings and recommendations of audits to the Contractor and Court. FIA shall adjust future payments or final payment if the findings of an audit indicate over or under payment to the Contractor and Court in the period prior to the audit. If no payments are due and owing the Contractor and Court, the Contractor and Court shall immediately refund all amounts which may be due FIA.

F. Compliance with Civil Rights, Other Laws

The Contractor and Court shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status pursuant to 1976 P.A. 453, Section 209. The Contractor and Court shall also comply with the provisions of the Michigan Handicappers Civil Rights Act, 1976, P.A., 220 and Section 504 of the Federal Rehabilitation Act of 1973, P.L. 93-112, 87 Stat. 394, which states that no employees or client or otherwise qualified handicapped individual shall, solely by reason of handicap, be excluded from participation, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. The Contractor and Court shall comply with the Americans with Disabilities Act of 1990 (ADA), P.L. 101-336, 104 Stat. 328, which prohibits discrimination against individuals with disabilities and provides enforcement standards. Further, the Contractor and Court shall comply with all other federal, state or local laws, regulations and standards, and any amendments thereto, as they may apply to the performance of this Agreement.

G. Royalties and Copyright

FIA reserves a royalty-free nonexclusive license to use and authorize others to use all written or visual material or other work products developed in connection with this Agreement, including all copyrightable or copyrighted materials.

H. Confidentiality

The use or disclosure of information concerning clients obtained in connection with the performance of this Agreement shall be restricted to purposes directly connected with the administration of the programs implemented by this Agreement and as required by federal regulations and state statute.

I. Property Title

Title to all Non-Child Support Enforcement System (CSES) property, real or personal, furnished by FIA for use by the Contractor and Court in the performance of this

Agreement shall remain in FIA. Upon expiration of this Agreement or any extension thereof, the Contractor and Court agree to return said property to FIA or pay the then current fair market value thereof to FIA. However, in the event that any such property is only partially funded by FIA, the Contractor or Court shall return said property to FIA or pay FIA that portion of the current fair market value of such item which is in the same percentage as FIA's contribution to the original purchase price. Where property in which FIA has an interest is traded for other property, the Contractor and Court shall maintain continuing records to account for FIA's financial interest in such subsequent acquisitions.

J. Subcontracts

The Contractor or Court shall not assign this Agreement or enter into subcontracts which will be paid in whole or part using money received through this Agreement without obtaining prior written approval of FIA. FIA, as a condition of granting such approval, shall require that such assignees or subcontractors shall be subject to all conditions and provisions of this Agreement. The Contractor and Court shall be responsible for the performance of all assignees or subcontractors, and shall ensure the subcontracted agents comply with all provisions of this Agreement.

K. Cancellation of Agreement

FIA reserves the right to cancel this Agreement by giving thirty (30) calendar days written notice to the Contractor and Court. The Contractor or Court may terminate this Agreement upon thirty (30) calendar days written notice to FIA at any time prior to the completion of the Agreement period.

L. Closeout/Extension

When this Agreement is concluded or terminated, the Contractor and Court shall provide FIA, within sixty (60) calendar days after conclusion or termination, with all financial, performance and other reports required as a condition of the Agreement, unless written extension is granted by FIA for extenuating circumstances.

FIA shall make payments to the Contractor for allowable reimbursable costs not covered by previous payments. The Contractor shall immediately refund to FIA any payments or funds advanced to the Contractor in excess of allowable reimbursable expenditures.

M. Continuing Responsibilities

Termination, conclusion, or cancellation of this Agreement shall not be construed so as to terminate the ongoing responsibilities of the Contractor or Court or rights of FIA contained in Section I, Examination and Maintenance of Records and Closeout/Extensions of this Agreement.

N. Dispute Resolution

1. Local Resolution

All parties agree to make a good faith attempt to resolve disputes. Resolution of any dispute shall first be attempted at the local level by County Contractor, Prosecuting Attorney (PA), Friend of the Court and FIA's Office of Child Support (OCS) District Managers, as appropriate.

2. Second Stage Resolution

If it appears a dispute cannot be resolved at the local level, the aggrieved party shall notify the other parties and the Director of the Office of Child Support, in writing, regarding the nature of the dispute and the efforts made toward resolution. Within sixty (60) calendar days of this notification, the parties and the OCS Director or designees shall meet to attempt resolution of the dispute.

3. Formal Notice of Intent

The Contractor and Court shall notify FIA in writing of their intent to pursue a claim against FIA for breach of any terms of this Agreement. No suit may be commenced by the Contractor or Court for breach of this Agreement prior to the expiration of ninety (90) calendar days from the date of such notification. Within this ninety (90) day period, the Contractor and Court, at the request of FIA, must meet with the Director of FIA or designee for the purpose of attempting resolution of the dispute. Formal Notice of Intent action shall not be commenced until resolution has been initiated as described in 1 and 2 above. However, these paragraphs do not restrict the right to invoke and cancel under Section I, **Cancellation of Agreement**.

4. Continuation of Services and Payment

Prior to commencement and during the pendency of a dispute or a suit for breach of this Agreement, services shall continue to be provided by the Court as set forth in this Agreement and payment for such services by FIA shall continue without interruption, except as provided in Section III, **Payment** of this Agreement.

O. Amendment

This Agreement may be amended, at the request of any party, only by the written consent of all the parties hereto, except as otherwise provided in this Agreement. If the Contractor or Court refuses to sign such amendment, FIA may terminate this Agreement at the end of sixty (60) calendar days from the date of request to amend.

The Contractor and Court shall suffer no liability to FIA for refusing to agree to said amendment, and said refusal shall not constitute a breach of this Agreement.

P. Termination - Unfair Labor Practice

FIA may void this contract upon fifteen (15) days notice if the name of the Contractor or Court, or the name of a subcontractor, manufacturer, or supplier of the Contractor or Court, subsequently appears in the register compiled pursuant to Section 2 of Act 278, P.A. 1980. This Act prohibits the State from entering into contracts with certain employers who engage in unfair labor practices; to prohibit those employers from entering into certain contracts with others; to provide for the compilation and distribution of a register of those employers; and to provide for the voiding of certain contracts.

Q. Audit Requirements

Contractors who receive a total of \$300,000 or more in federal funds from one or more funding sources in a fiscal year as subrecipients shall comply with the requirements of the Federal Office of Management and Budget (OMB) Circular A-133.

As defined in OMB Circular A-133, the contractor shall submit two copies of:

- Data Collection Forms
- Audit Report

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in this circular.

Contractors receiving less than \$300,000 in federal funds must submit a letter to FIA advising that a circular audit was not required. The letter shall identify the year, the name of FIA federal programs, and the CFDA grant number(s). This information and the audit reports shall be submitted to:

Attn.: Audit Liaison
Office of Internal Audit
Family Independence Agency
Grand Tower -- Suite 1112
235 South Grand Avenue
P.O. Box 30037
Lansing, Michigan 48909

This contract is funded in part through the federal program(s) listed below. The Catalog of Federal Domestic Assistance number (CFDA#) for each federal program as well as the percentage of Federal Financial Participation (FFP) is indicated also.

<u>CFDA#</u>	<u>PROGRAM TITLE</u>	<u>%FFP</u>
93.563	Child Support Enforcement	66%

FIA imposes no other audit requirements on subrecipient contractors. The Contractor shall not charge audit cost to FIA programs which are not in accordance with the aforementioned requirements.

All contractors are subject to federally required monitoring which may include limited scope reviews and other on-site monitoring. The cost of monitoring, both financial and program, will be paid by FIA.

For Vendors

Contractors not identified as subrecipient will be considered vendors for audit reporting purposes. Vendors serving the following program areas are required to submit annual/audited financial statements: Adoption and Children's Foster Care.

There are no other audit requirements for vendors, however, FIA reserves the right to request reports to conduct on-site audits for review at anytime.

R. Agreement Inclusiveness

This Agreement with the previously mutually approved Application incorporated by reference and made a part hereof, is intended by the parties as the complete and final expression of their agreement with respect to the terms included herein, and may not be contradicted by evidence of any prior contemporaneous agreement, oral or otherwise.

S. Reporting of Retiree Employment

ALL OTHER CONTRACT PROVISIONS NOTWITHSTANDING, the Contractor and Court shall provide written notification to FIA of entering into a contractual relationship with any employee who retired from the State of Michigan using the early retirement program authorized by P.A. 487 of 1996. This notification shall be submitted to the Office of Contracts and Rate Setting (OCRS) within 15 days of signing this Agreement or of entering into a contractual relationship with any retiree under P.A. 487 of 1996. The Contractor and Court must report the retired employee's name, social security number and work site. For purposes of this Agreement, the Contractor and Court are limited to an aggregate of 500 hours of services provided by an early retiree under P.A. 487 of 1996. This provision only applies during a 24 month period after the date of retirement. Exclusion and disallowance of all payroll costs related to such employees shall occur under the following circumstances:

1. Failure of the Contractor or Court to notify OCRS within the allotted time period. Exclusion and disallowance of costs shall be for the period from beginning of services up to the time that proper notification is received by OCRS.
2. Failure of the Contractor or Court to enforce the 500 hour limitation of service provision by the early retiree.

T. Continuity of Service

Each party agrees that they will use due diligence to insure that services to FIA or its clients will not be disrupted by technology problems originating in equipment which processes chronological dates which are within the control of the party. As used in this paragraph, the word equipment includes, but is not limited to, computer hardware and software, and includes date processing devices embedded in other objects used by the Contractor and the Court to provide client services. The Contractor and the Court agree that the contract is subject to cancellation if FIA or its client services are unreasonably disrupted by the inability of equipment used by the Contractor and the Court to accurately process dates before, during or after the year 2000. This paragraph shall not apply to a failure caused by computer hardware or software provided by the State of Michigan, and its departments and/or agencies, to the Contractor and the Court for use in the delivery of services pursuant to this contract.

II. CONTRACTOR AND COURT DUTIES AND RESPONSIBILITIES

The Contractor through the Friend of the Court shall enforce all orders of support over which it has jurisdiction and seek modifications of orders in accordance with federal regulations, state statute and court rules. For enforcing child support orders in IV-D cases and as a subrecipient of Federal Financial Assistance, the Contractor and the Friend of the Court shall comply with the requirements of Title IV-D of the Social Security Act, implementing applicable federal regulations and requirements; using the Manual for Friend of the Court (MFOC), Section 4000 and Friend of the Court Letters in effect on the beginning date of this Agreement.

A. Services

The Friend of the Court shall:

1. Make IV-D services available to all eligible persons.
2. Maintain records and provide collection services.
3. Enforce support obligations using all appropriate procedures including, but not limited to:
 - a. Wage or Income Withholding
 - b. State Tax Offset

- c. Federal Tax Offset
 - d. Withholding of Unemployment Compensation Benefits
 - e. Imposition of Liens
 - f. Posting Security, Bond or Guarantee for overdue support
 - g. Information to Consumer Reporting Agency
 - h. Use Guidelines for Setting Support Amounts
 - i. Spousal Support Enforcement when there is an applicable order
 - j. Medical Support
 - k. License Suspension
 - l. Contempt Proceedings
 - m. Use appropriate interstate enforcement action
 - n. Other, as specified by Federal IV-D Regulations and Requirements, State Statutes
4. Review and Modify Support Orders using the "Michigan Child Support Guidelines".
 5. Initiate locating action when necessary.
 6. Cooperate with other states for enforcement of child support orders.
 7. Maintain the following administrative processes:
 - a. Fiscal Policies and Accountability
 - b. Bonding of Employees
 - c. Separation of Cash Handling and Accounting Functions
 - d. Safeguarding of Information
 - e. Records Maintenance

B. Reports

The Contractor and Court shall prepare, complete and submit the following reports in the cycles indicated, to the units named:

1. **Form:** FIA-286 - Title IV-D Cooperative Reimbursement Expenditure Report, including appropriate time documentation.
Cycle: Due by the fifteenth (15) working day after month of service
To: District Contract Manager
 Office of Child Support
 Local County Family Independence Agency
2. **Form:** FIA-284 - Friend of the Court Title IV-D Quarterly Report of Collections
Cycle: Due by the tenth (10) working day after the Quarter's end
To: Family Independence Agency
 Office of Child Support - Lansing

3. **Form:** FIA-820 - Support Collection Refund/Reimbursement Request
Cycle: As needed in accordance with MFOC Section 4000, Chapter 650
To: Family Independence Agency
Payment Document Control - Lansing

4. **Form:** FIA-284A - Friend of the Court Child Support Enforcement Annual Data Report
Cycle: Due by October 25th
To: Family Independence Agency
Office of Child Support - Lansing

5. **Form:** FIA-29 - Financial Deposit Report
(Accompanied by bank deposit slips and listing of individual items for any ADC-F, State ward charge back as required by MFOC Section 4000, Chapters 620 and 630)
Cycle: Varies with FOC from daily to weekly
To: Family Independence Agency
Cashier Office - Lansing

6. **Form:** Reports of TANF collections by approved electronic format
Cycle: By the dates specified in MFOC Section 4000, Chapter 640
To: Family Independence Agency
CSES - Lansing

7. **Form:** FIA-316 or collection report requesting correction of distributed support collections
Cycle: No regular cycle: process as received
To: Family Independence Agency
Office of Child Support - Lansing

8. **Form:** FIA-4518 Report of Client Received Support
Cycle: As needed in accordance with MFOC Section 4000, Chapter 615
To: Local OCS Support Specialist

C. Client Grievance System

Each Court shall have a written office grievance system which provides the opportunity to seek relief for those who believe they have not received services required by the IV-D program, or believe the services they have received are not in accordance with IV-D regulations. Information about the grievance system shall be provided to clients or FIA upon request.

D. Statewide Automated System

The Contractor and Court agree to cooperate in meeting the federal requirement of a statewide automated system using the Child Support Enforcement System which processes intra- and inter- state data in accordance with IV-D regulations, statutes, policies and procedures for establishing paternity, enforcing support orders and complies with all IV-D, CSES, OCS and FIA reporting requirements.

E. Applicable Costs

The Contractor and Court, as subrecipients of Federal Financial Assistance, agree to abide by applicable provisions of the Cost Principles for State and Local Governments issued by the Federal Office of Management and Budget Circular No. A-87. This Circular provides cost principles to be used in determining the availability of Federal Financial Assistance for Child Support Enforcement activities under Title IV-D of the Social Security Act. If any staff funded in part or in whole by IV-D funds do not work full time on IV-D matters, detailed time-records for such employees are required to document the amount of time spent on reimbursable activities.

F. Billing Method

The Actual Cost Reimbursement Method shall be used to claim reimbursement under this Agreement. The Cooperative Reimbursement Budget is attached hereto and made a part of this Agreement. The Budget and Application detail the amount and object of expenditures for which the Contractor and Court shall use funds paid under this Agreement. The Contractor and Court shall follow and adhere to the Budget. Only actual costs may be billed. However, expenditures up to \$3,000 above the direct cost line item budget categories are permissible provided the sum of all expenditures does not exceed the total amount of the Agreement.

The Contractor and Court must obtain written approval from FIA to increase or decrease line items in the budget by more than \$3,000. The Contractor's and Court's request for FIA's approval must contain sufficient information to allow FIA to identify which budget line items are to be increased, which line items are to be decreased, the reason for change, the programmatic impact of the budget changes and must stay within the originally approved budget total. The person authorized to approve budget revisions is the Director of the Office of Child Support.

Actual costs may include the cost of fringe benefits provided for the Contractor and Court employees funded by this Agreement, in the same proportion as those employees are engaged in IV-D reimbursable activities. Further, those fringe benefits shall be no greater than fringe benefits provided to similar non-IV-D employees. Fringe benefits may include longevity, vacation, personal leave, holiday, sick leave, medical, dental, optical, life insurance, disability insurance, retirement, social security, workers compensation, and unemployment insurance.

G. Billing Procedure

The Contractor and Court shall submit a monthly "Title IV-D Cooperative Reimbursement Expenditure Report," (Form FIA-286) detailing program-related expenditures. The FIA-286 shall indicate actual costs by category of expense in the performance of this Agreement for the period being billed. The FIA-286 shall be submitted within fifteen (15) working days from the end of the monthly billing period to the District Contract Manager. For the month of September, billings shall be submitted as directed by FIA to meet fiscal year-end closing deadlines.

H. Bonding of Employees

The Contractor and Court agree to assure that every person who, as a regular part of his or her employment, receives, disburses, handles, or has access to support collections shall be covered by a bond or insurance, or be self-insured with the approval of FIA, in an amount sufficient to protect against loss resulting from employee dishonesty.

III. FIA DUTIES AND RESPONSIBILITIES

A. Program Administration

FIA, as a recipient of Federal Financial Assistance, shall administer the Title IV-D program in Michigan, and shall maintain the approved Title IV-D State Plan consistent with federal requirements. FIA shall distribute program regulations, forms and instructions to the Contractor and Court through the Manual for Friend of the Court, Section 4000 and Friend of the Court Letter Series.

B. Payment

FIA shall complete its processing of payments to the Contractor within thirty (30) calendar days after receipt of the Contractor's monthly FIA-286, "Title IV-D Cooperative Reimbursement Expenditure Report," detailing program related expenditures. Payments shall be made in accordance with the budget attached to and made part of this Agreement. For FIA-286's submitted after the due date FIA reserves the right to delay processing and payment to the next available cycle.

FIA reserves the right to defer or disallow payment of any claim submitted by the Contractor and Court for failure to document and provide records, statistics, and reports to FIA as required by this Agreement or as are required by applicable state statutes and federal regulations.

C. Program Compliance Monitoring and Evaluation

FIA shall monitor and evaluate Court performance for compliance with Federal Title IV-D Program regulations and the terms of this Agreement. Performance compliance shall be measured against federal program standards established to ensure that program services are administered effectively and efficiently. FIA shall request corrective action when a program compliance evaluation indicates areas of substantial noncompliance.

D. Maximum Amount of Agreement

The maximum amount of this Agreement as appropriated by the Contractor is **ONE MILLION EIGHT HUNDRED EIGHTY-TWO THOUSAND FIVE HUNDRED FORTY-SIX AND NO/100 DOLLARS (\$1,882,546.00)**. The maximum amount of costs to be reimbursed by FIA shall be the State share of actual expenditures during the life of this Agreement up to the maximum of the Title IV-D program net budget, a copy of which is attached hereto and made a part hereof.

IN WITNESS WHEREOF, FIA and Contractor have caused this Agreement to be executed by their respective officers duly authorized to do so.

The Undersigned have the lawful authority to bind the Contractor and the Court to the Terms set forth in this Agreement.

CONTRACT NO: CS/FOC-00-74001

Dated at _____, Michigan

this ____ day of _____, 19__

Witness: _____

CHIEF CIRCUIT JUDGE

(Court)

By: 

Print Name: _____

(Chief Circuit Judge)

Dated at _____, Michigan

this ____ day of _____, 19__

Witness: _____

THE COUNTY OF ST CLAIR

(Contractor)

By: _____

Print Name: _____

(Chairperson, Board of Commissioners)

Dated at _____, Michigan

this ____ day of _____, 19__

Witness: _____

FAMILY INDEPENDENCE AGENCY

By: _____

(Douglas E. Howard, Director, or designee)

TITLE I REIMBURSEMENT CONTRACT APPLICATION

A. CONTRACT DESCRIPTION

COUNTY: ST. CLAIR

CONTRACT NO.

PROVIDER: FRIEND OF THE COURT

CS/FOC 00 74001

FUNDING YEAR 2000

COLUMN I	COLUMN II	COLUMN III
	PROPOSED IV-D BUDGET	PROVIDER'S TOTAL ELIGIBLE BUDGET
B. ALLOCATION FACTORS		
1. Total FTE Positions (FOC, PA, COMB)	33.50	38.00
A. Enforcement (FOC & COMB)	NOT APPLICABLE	36
B. Parenting Time & Custody (FOC & COMB)	NOT APPLICABLE	3
2. % of Total FTE's (IV-D Allocation Factor)	88.16%	100.00%
A. Enforcement (FOC & COMB)	NOT APPLICABLE	86.11%
B. Parenting Time & Custody (FOC & COMB)	NOT APPLICABLE	13.89%
3. Caseload % (FOC & COMB)	96.72%	100.00%
C. BUDGET CATEGORIES		
	PROPOSED IV-D BUDGET	PROVIDER'S TOTAL ELIGIBLE BUDGET
1. Personnel	\$ 1,594,052	\$1,808,178
2. Data Processing	\$ 53,475	\$60,657
3. Other Direct	\$ 211,055	\$239,406
4. Central Services	\$ 153,369	\$173,967
5. Paternity Testing (PA/COMB Only)	\$ -	\$0
6. Total Budget	\$ 2,011,951	\$ 2,282,208
7. Service Fees (FOC & COMB Only)	\$127,668	\$133,372
8. Mediation Fees (FOC & COMB)	NOT APPLICABLE	\$14,901
9. Other Income (Describe)	\$1,737	\$1,815
10. Net Budget	\$1,882,546	\$2,132,120
11. County Share \$	\$495,297	
12. County Share %	26.31%	
13. State Share \$	\$1,387,249	
14. State Share %	73.69%	
15. County Share of #5 (PA & Comb. Only)	Zero	
16. Total State Funding (Same as Line #13)	\$ 1,387,249	

TO ALL CONTRACTORS WITH CONTRACTS IN THE AMOUNT OF \$100,000 OR MORE

RESTRICTIONS ON LOBBYING

INSTRUCTIONS

As a recipient of federal funds under this contract, your agency is required by federal law to sign the attached certification regarding lobbying (Page 1).

Sign this certification after **thoroughly** reading Appendix A, "Restrictions on Lobbying", a federal Office of Management and Budget publication. Do not complete Form LLL, "Disclosure of Lobbying Activities" (Appendix B) unless required to do so according to the attached material.

We have provided copies of this certificate for signature by both the provider (FOC or PA) and the contractor (County Board of Commissioners).

This certification must be signed and returned to FIA before the contract can be fully executed.

Please direct all questions concerning this form to the Office of Federal Procurement Policy, room 9001, 725 17th Street, NW, Washington, D.C. 20503 - (Telephone: 202/395-3254).

Send the signed certification and the signed contract to:

Family Independence Agency
Office of Child Support
Suite 1215 Grand Tower
P.O. Box 30478
Lansing, Michigan 48909-7978

CERTIFICATION
(Certification/Reporting Regarding Lobbying)

The Contractor certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds (including payments made by the Agency on this contract) will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of congress, an officer or employee of congress, or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (3) The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
- (4) I have read the seven page document titled "Restrictions on Lobbying".

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. This certification is a prerequisite for making or entering into this contract imposed by section 1352, title 31, U.S. code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contract #	_____
Signature	_____
Print Name:	_____
Title:	_____
Telephone:	(Area Code) _____ Number _____

The Family Independence Agency will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you are invited to make your needs known to an FIA office in your county

Authority: PA of 280
Completion: Mandatory
Penalty: Contract Invalid

RESTRICTIONS ON LOBBYING
(FEDERAL OFFICE OF MANAGEMENT AND BUDGET)

(a) **Definitions.** As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (1) The awarding of any Federal contract;
- (2) The making of any Federal grant;
- (3) The making of any Federal loan;
- (4) The entering into of any cooperative agreement; and modification of any Federal contract, grant, loan, or cooperative agreement.

"Covered Federal Action" does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian Tribe" and **"Tribal Organization"** have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (1) An individual who is appointed to a position in the Government under title 5, U.S. Code, including a position under a temporary appointment;
- (2) A member of the uniformed services as defined in Section 101(3), title 37, U.S. Code;
- (3) A special Government employee as defined in section 202, title 18, U.S. Code; and
- (4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, U.S. Code appendix 2.

“Person” means an individual corporation, company association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

“Reasonable compensation” means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

“Reasonable payment” means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

“Recipient” includes all contractors and subcontractors at any tier in connection with a Federal contract. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal Law.

“Regularly employed” means, with respect to an officer or employee of a person requesting or receiving a Federal contract, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

“State” means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having government duties and powers.

(b) **Prohibition.**

- (1) Section 1352 of title 31, U.S. Code provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.

(2) The prohibition does not apply as follows:

(I) Agency and legislative liaison by Own Employees.

- (A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.
- (B) For purposes of paragraph (A) of this section, providing any information specifically requested by an agency or Congress is allowable at any time.
- (C) For purposes of paragraph (A) of this section, the following agency and legislative liaison activities are allowable at any time only where they are not related to a specific solicitation for any covered Federal action:
 - (I) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,
 - (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (D) For purposes of paragraph (A) of this section, the following agency and legislative liaison activities are allowable only where they are prior to formal solicitation of any covered Federal action:
 - (i) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
 - (ii) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and,
 - (iii) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
- (E) Only those activities expressly authorized by paragraph (I) of this section are allowable under paragraph (I).

- (ii) Professional and technical services by own employees.
- (A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract or an extension, continuation, renewal, amendment, or modification of a Federal contract if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract.
- (B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.
- (C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (D) Only those services expressly authorized by paragraph (ii) of this section are allowable under paragraph (ii).

(iii) Reporting for Own Employees

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(iv) Professional and technical services by Other than Own Employees

(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract.

(B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(D) Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

- (E) Only those services expressly authorized by paragraph (iv) of this section are allowable under paragraph (iv).

(c) Disclosure

- (1) Each person who requests or receives from an agency a Federal contract shall file with that agency a certification indicating that the person has not made, and will not make, any payment prohibited by paragraph (b) of this clause.
- (2) Each person who requests or receives from an agency a Federal contract shall file with that agency a disclosure form, Standard Form-LLL, "Disclosure of Lobbying Activities", if such person has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (b) of this clause if paid for with appropriated funds.
- (3) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (2) of this section. An event that materially affects the accuracy of the information reported includes:
 - (I) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
 - (ii) A change in the person(s), or individual(s) influencing or attempting to influence a covered Federal action; or
 - (iii) A change in the officer(s), employee(s), or member(s) contacted to influence or attempt to influence a covered Federal action.
- (4) Any person who requests or receives from a person referred to in paragraph (1) of this section a subcontract exceeding \$100,000 at any tier under the Federal contract shall file a certification, and a disclosure form, if required, to the next tier above.
- (5) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraph (1) of this section. that person shall forward all disclosure forms to the agency.

(d) Agreement

In accepting any contract resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties

- (1) Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.
- (2) Any person who fails to file or amend the disclosure form to be filed or amended if required by this clause, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- (3) Contractors may rely without liability on the representations made by their subcontractors in the certification and disclosure form.

(f) Cost allowability

Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of part 31 of the Federal Acquisition Regulation.

(End of Clause)

BILLING CODE 3110-01-M

APPENDIX B

Approved by OMB
0348-0046

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

<p>1. Type of Federal Action</p> <p><input type="checkbox"/> a. Contract</p> <p><input type="checkbox"/> b. Grant</p> <p><input type="checkbox"/> c. Cooperative Agreement</p> <p><input type="checkbox"/> d. Loan</p> <p><input type="checkbox"/> e. Loan Guarantee</p> <p><input type="checkbox"/> f. Loan Insurance</p>	<p>2. Status of Federal Action:</p> <p><input type="checkbox"/> a. Bid/Offer/Application</p> <p><input type="checkbox"/> b. Initial Award</p> <p><input type="checkbox"/> c. Post-Award</p>	<p>3. Report Type:</p> <p><input type="checkbox"/> a. Initial Filing</p> <p><input type="checkbox"/> b. Material Change (For Material Change Only):</p> <p>Year _____ Quarter _____</p> <p>Date of last report _____</p>
<p>4. Name and Address of Reporting Entity:</p> <p><input type="checkbox"/> Prime <input type="checkbox"/> Subawardee <input type="checkbox"/> Tier _____, if known</p> <p>Congressional District, if known: _____</p>	<p>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</p> <p>Congressional District, if known: _____</p>	
<p>6. Federal Department/Agency:</p>	<p>7. Federal Program Name/Description:</p> <p>CFDA Number, if applicable: _____</p>	
<p>8. Federal Action Number, if known:</p>	<p>9. Award Amount, if known:</p> <p>\$ _____</p>	
<p>10a Name and Address of Lobbying Entity (if individual, last name, first name, MI):</p> <p>(Attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>	<p>10b. Individuals Performing Services (including address, if different from 10a.) (last name, first name, MI):</p> <p>(Attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>	
<p>11. Amount of Payment (check all that apply):</p> <p>\$ _____ <input type="checkbox"/> Actual <input type="checkbox"/> Planned</p>	<p>13. Type of Payment (check all that apply):</p> <p><input type="checkbox"/> a. Retainer</p> <p><input type="checkbox"/> b. One-Time Fee</p> <p><input type="checkbox"/> c. Commission</p> <p><input type="checkbox"/> d. Contingent Fee</p> <p><input type="checkbox"/> e. Deferred</p> <p><input type="checkbox"/> f Other, specify: _____</p>	
<p>12. Form of Payment (check all that apply):</p> <p><input type="checkbox"/> a. Cash</p> <p><input type="checkbox"/> b. In-Kind; Specify: Nature _____</p> <p>Value: _____</p>		
<p>14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employee(s), or Member(s) contacted, for Payment indicated in Item 11:</p> <p>(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>		
<p>15. Continuation Sheet(s) SF-LLL-A attached: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>		
<p>16.</p> <p>Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>	<p>Signature: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Telephone No.: _____ Date: _____</p>	
<p>Federal Use Only</p>		<p>Authorized for Local Reproduction Standard Form - LLL</p>

INSTRUCTIONS FOR COMPLETION OF SF-LLL, "DISCLOSURE OF LOBBYING ACTIVITIES:

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is an/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number; invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered Federal action
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title and telephone number.

DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET

approved by OMB
0348-0046

Reporting Entity: _____ Page _____ of _____

U.S. G.P.O. 1990-260-708:00012

Authorized for Local Reproduction
Standard Form - LLL-A

The Family Independence Agency will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you are invited to make your needs known to an FIA office in your county

Authority: PA 280 of 1939
Completion: Mandatory
Penalty: Contract Invalid

Memo

To: Robert Amon
From: Cheri Peart
CC: Robert Kempf
Date: 10/08/1999
Re: Invitation for Bid -- Office Products and Services

Kerr Albert, Office Max, Standard Office Supply, and Staples Business Advantage are the four companies to respond to the open bid on County office supply requirements. After review of adherence to bid specifications and pricing of the requested products, it is my recommendation to award the contract to Kerr Albert for the year 99-00. The estimated total annual cost of bid is \$27,607.97. Please advise me if you require any additional information.

ARTICLE 13

DEMOTION

1. A demotion shall mean a change in classification resulting in a decrease in salary and/or compensation.
2. An employee is subject to demotion for any of the following reasons:
 - a. Economic or budgetary necessity.
 - b. Inability to perform the required functional tasks.
 - c. Failure to maintain the moral or ethical standards required for the position.
 - d. Incompetency.
 - e. At the request of the employee.
3. Notice of demotion shall be made in writing and shall detail the reason(s) for the demotion.
4. The demoted employee shall be compensated at the salary that does not exceed the salary of the former classification.

ARTICLE 14

RECLASSIFICATION

1. A reclassification shall mean a change in title as a result of a significant change in tasks, duties and/or responsibilities. An employee shall be entitled to a reclassification when the preponderance of their tasks, duties and/or responsibilities are not typical of their current classification and/or are typical of another classification.
2. An employee and/or a department head who believe a reclassification is warranted based upon the preceding definition shall notify the Personnel Director in writing of their request for a reclassification.
3. The reclassification request shall include;
 - a. The Name, Department and current classification of the employee.
 - b. The name of the new classification requested if known.
 - c. A comprehensive summary of the tasks, duties and/or responsibilities currently required of the employee.
4. The Personnel Director shall notify the Administrator/Controller of every reclassification request. The Administrator/Controller will determine whether the request will be referred to the Board of Commissioners or otherwise reviewed administratively.
5. In the event the request will be reviewed administratively, the Personnel Director shall determine the tasks, duties and/or responsibilities required of the employee in the classification. The Personnel Director shall make a recommendation to the Administrator/Controller, the Chairperson of the Board of Commissioners and the Chairperson of the Ways and Means Committee of the Board of Commissioners whose decision shall be final and binding. Any subsequent reclassification request of that position will not be considered unless a significant change in tasks, duties and/or responsibilities can be demonstrated.
6. In the event the request is referred to the Board of Commissioners, the Administrator/Controller shall take whatever steps deemed appropriate to review the request. The Administrator/Controller shall make a recommendation to the Board of Commissioner. The decision of the Board of Commissioners shall be final and binding. Any subsequent

**APPROVING MICHIGAN NURSES ASSOCIATION TO CREATE AND RECOGNIZE
A NURSING SUPERVISOR BARGAINING UNIT**

WHEREAS, originating in the mid 1960's the Michigan Nurses Association (MNA) has for the purpose of collective bargaining, represented professional nurses employed by the County of St. Clair which representation originated at the County Medical Care Facility; and

WHEREAS, resulting from this history all registered nurses currently employed by the St. Clair county Public Health Department continue to be represented by the MNA; and

WHEREAS, a Collective Bargaining Agreement (CBA) has been entered into between this Board and the MNA which governs wages, hours and conditions of employment of the aforementioned Public Health Nurses; and

WHEREAS, the recognition clause of said CBA identifies those employees to be represented by the MNA as a "unit of all registered nurses employed by the Employer excluding supervisors as defined by the Act..." ; and

WHEREAS, during the period of bargaining unit history, the number of registered nurses employed by the Public Health Department has increased as well as the services being provided; and

WHEREAS, the classification of Public Health Nurse II (PHN II) has evolved to that of one functioning as a supervisor in the organizational structure of the Nursing Division within the Department; and

WHEREAS, it is the desire of the Public Health Department administration to more effectively utilize this nursing classification as supervisory and have it clearly recognized as such; and


WHEREAS, it is the desire of the incumbent employees in the PHN II classification to maintain the MNA representation status; and

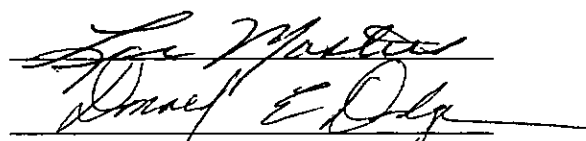
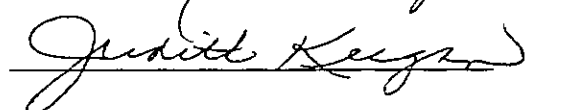
WHEREAS, Act 379 of the Public Acts of 1965 as amended allows supervisory employees to organize and join labor organizations for the purpose of collective bargaining, however, it is prohibitive for supervisory employees to organize into the same bargaining unit which contains employees that they supervise.

NOW, THEREFORE, BE IT RESOLVED THAT the St. Clair County board of Commissioners hereby voluntarily recognizes the MNA to be the exclusive bargaining agent for a unit of all St. Clair County Public Health Department Nursing Supervisors employed by the Employer but excluding the Director of the Nursing Division and all other employees.

DATED: October 27, 1999

Reviewed and Approved As To Form By:


PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060

RESOLUTION 99-38

**AMENDING COUNTY EMPLOYEES' RETIREMENT PLAN
TO GRANT INCREASE TO RETIREES OR BENEFICIARIES**

WHEREAS, it has been brought to the attention of the Board of Trustees of the St. Clair County Employees' Retirement System that many retired employees receive a sum so small as to be out of line with today's cost of living; and

WHEREAS, the last increase in retirees' pension benefits occurred in 1998; and


WHEREAS, the Board of Trustees of the St. Clair County Employees' Retirement System on September 21, 1999, has requested the St. Clair County Board of Commissioners to amend the St. Clair County Employees' Retirement Plan in order to make it possible for retiree benefit improvements as follows:

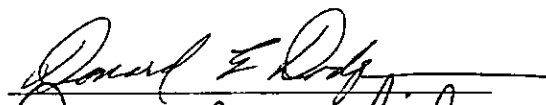
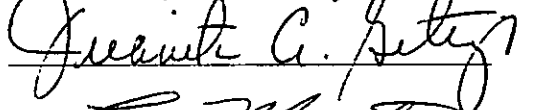
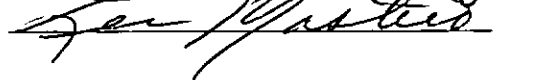
- 1) **Effective July 1, 2000**
 - A. 2% increase on July 1, 2000 for all retirees or beneficiaries who retired through 12-31-95.
- 2) **Effective July 1, 2001**
 - A. 2% increase on July 1, 2001 for all retirees or beneficiaries who retired through 12-31-96.
- 3) **Effective July 1, 2002**
 - A. 2% increase on July 1, 2002 for all retirees or beneficiaries who retired through 12-31-97.

BE IT FURTHER RESOLVED, that all resolutions and parts of resolutions, insofar, as they same conflict with the provisions of this resolution be, and the same hereby are rescinded.

DATED: October 27, 1999

Reviewed and Approved As To Form By:


PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060

RESOLUTION 99 - 37

**WAIVING INTEREST ACCRUED ON TAXES
COLLECTED BY LOCAL UNITS**

WHEREAS, the General Property Tax Act of Michigan, being No. 206 of P.A. of 1893, as amended, provides that townships and city treasurers charged with the responsibility of collecting taxes, shall account for and deliver to the County Treasurers, and the School District Treasurers, taxes collected within 10 business days after the first and fifteenth day of each month; and

WHEREAS, Public Act No. 169 of 1988, addressed the subject of interest earned on tax collections, providing that an agreement can be made between a collecting unit and a taxing unit regarding interest earned; and

WHEREAS, to divide and distribute accrued interest owed to the County of St. Clair by the local tax collecting units would impose a severe administrative burden on the local collecting units; and

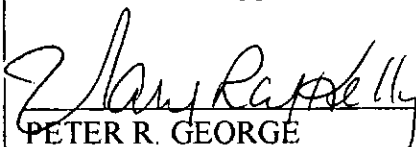
WHEREAS, in the opinion of this Board of Commissioners, the accounting costs incidental to the distribution of interest would likely surpass the amount of interest; and

WHEREAS, this Board is not required to, but may, in its discretion, waive receipt of interest amounts attributed to collecting taxes for the year 1999.

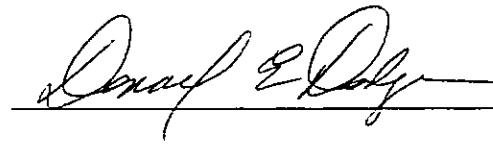
NOW, THEREFORE, BE IT RESOLVED, that the payment of any interest which may be due and owing to the County from the 1999 Tax collections, is hereby waived.


DATED: October 27, 1999

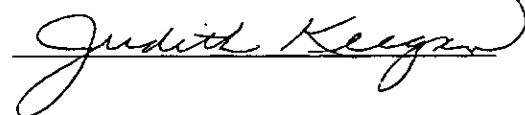
Reviewed and Approved As To Form By:



PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060







RESOLUTION 99 - 36

**RELATIVE TO "PER DIEMS"
FOR BOARDS AND COMMISSIONS**

WHEREAS, it is the duty of the St. Clair County Board of Commissioners annually, to determine the "Per Diems" to be paid to members of Boards and Commissions in cases where no provision is made by Board action or statute; and

WHEREAS, it is the opinion of the St. Clair County Board of Commissioners, that in such cases the "Per Diem" to be paid to members of various appointed Boards and Commissioners should be \$30.00 per day, in addition to such mileage allowance for travel, as the Board from time to time may determine.

NOW THEREFORE, BE IT RESOLVED:

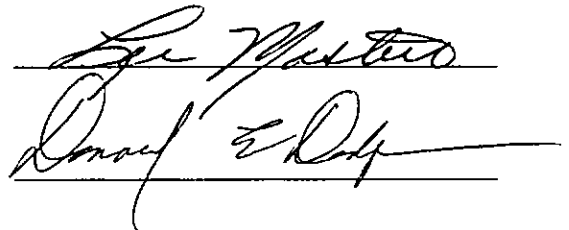
- 1) That for the year 2000, the "Per Diem" to be paid to members of Boards and Commissions appointed by the St. Clair County Board of Commissioners, shall be \$30.00 per day, plus such mileage allowance for travel as the Board of Commissioners from time to time may determine.
- 2) That such payments shall be limited to those Boards and Commissions for which the payment of "Per Diem" is specifically allowed by statute and not otherwise prohibited.
- 3) All resolutions and parts of resolutions in conflict with this Resolution are, to the extent of the conflict hereby rescinded.

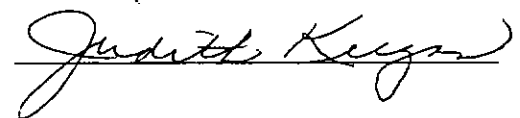
DATED: October 27, 1999

Reviewed and Approved As To Form By:


PETER R. GEORGE

County Corporation Counsel
301 County Building
Port Huron, MI 48060





RESCINDING RESOLUTION 97-34 AND CREATING ST. CLAIR COUNTY MENTAL HEALTH AUTHORITY AND PROVIDING FOR ADOPTION OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN ST. CLAIR COUNTY AND COMMUNITY MENTAL HEALTH SERVICES BOARD NO LATER THAN DECEMBER 31, 1999

WHEREAS, the St. Clair County Board of Commissioners and the St. Clair County Community Mental Health Services Board are committed to providing excellent Mental Health Services to county residents and that these services are provided in the most efficient and effective manner possible by St. Clair County Community Mental Health; and

WHEREAS, a CMH Authority would possess all of the powers and duties currently possessed by St. Clair County's Community Mental Health Services Program; and

WHEREAS, the County of St. Clair Will be exempt from liability for any intentional, negligent or grossly negligent act or omission in the provision of Mental Health Services if a Community Mental Health Authority is established; and

WHEREAS, the County of St. Clair will be exempt from liability or responsibility for the financial affairs or obligations related to the provision of Mental Health Services if a Community Mental Health Authority is established; and

WHEREAS, the County of St. Clair will become assured that local matching funds would not be subject to involuntary increases in the future if a Community Mental Health Authority is established; and

WHEREAS, a CMH Authority could not levy any type of tax or issue any type of bond in its own name, or financially obligate any unit of government other than itself; and

WHEREAS, accountability to the community and state for Mental Health Services would rest with the St. Clair County Community Mental Health Authority; and

WHEREAS, accountability to the County of St. Clair shall rest with the St. Clair County Community Mental Health Authority in the form of a regular annual audit, as well as submission of copies of all reviews, reports, notices, or other documentation regarding authority certification, including documentation reflecting corrections of any items of non-compliance.

WHEREAS, a St. Clair County CMH Authority, as a legal public governmental entity separate from the county that establishes it, would possess additional powers not enjoyed by the existing Community Mental Health Services agency, including but not limited to powers to fix and collect charges, rates, rents, fee, and other charges; the power to collect interest; the power to transfer, divide, or distribute assets, liabilities and contingent liabilities; the power to accept gifts, grants, or bequests and to determine the manner of their use; the power, in its own name, to enter into contracts and agreements, employ staff, acquire, construct, manage, maintain, or operate buildings or improvements, the power to acquire, own, operate, maintain, lease, or sell real or personal property; power to incur debts, liabilities, or obligations that are not the debts, liabilities or obligations of the county; the power to commence litigation and defend itself in litigation, and the power to invest funds; and

WHEREAS, a St. Clair County CMH Authority would be responsible for all of its own executive administration, employees, personnel administration, finance, accounting, and management information system functions, and is authorized to discharge these responsibilities through direct staff or by contracting for services; and

WHEREAS, under the St. Clair County CMH Authority form of organization the St. Clair County Board of Commissioners will continue to have a statutory duty to appoint St. Clair County Community Mental Health Board members in compliance with the conditions of the Mental Health Code, and to consider for approval the St. Clair County CMH Authority's annual request for county funds to support the Community Mental Health program, thereby continuing to maintain a meaningful oversight role with respect to the provisions of Community Mental Health services in St. Clair County; and

**AMENDING THE ST. CLAIR COUNTY RETIREMENT ORDINANCE IN
RECOGNITION OF THE ESTABLISHMENT OF THE ST. CLAIR COUNTY
COMMUNITY MENTAL HEALTH AUTHORITY**

WHEREAS, the St. Clair County Board of Commissioners has resolved that the St. Clair County Community Mental Health Services Board with all its assets, debts, obligations and personnel shall become the St. Clair County Community Mental Health Authority, effective January 1, 1999, in accordance with the Michigan Mental Health Code (Public Act 258 of 1974, as amended by Public Act 152 of 1996); and

WHEREAS, it is the intention of the St. Clair County Board of Commissioners that the employees of the St. Clair County Community Mental Health Authority are and shall continue to be eligible to participate in the St. Clair County Employees' Retirement System consistent with those provisions previously in effect for the employees of the former St. Clair County Community Mental Health Services organization; and

WHEREAS, in recognition of the creation of the St. Clair County Community Mental Health Authority the following revisions are proposed to the St. Clair County Employees' Retirement System Ordinance:

1. Section 2.1 (d) is amended as follows:
"County" means St. Clair County, and shall include the St. Clair County Road Commission. Further, for purposes of this retirement ordinance only, reference to the "County" shall be deemed to include the Community Mental Health Authority established pursuant to section 205(8) of the Michigan Mental Health Code, Public Act 258 of 1974, as amended by Public Act 152 of 1996 (MCL 330.1001 et seq.), except as specifically provided herein. Notwithstanding the foregoing, employees of the St. Clair County Community Mental Health Authority are not employees of St. Clair County and that the Community Mental Health Authority is the employer with regard to all applicable laws.
2. Section 3.1 is amended as follows:
 Included positions are:
 The County Board of Commissioners, the County Community Mental Health Authority and an individual who is employed by the county, if offices, or departments, in a permanent position shall be a member of the Retirement System unless employed in an excluded position enumerated in Article III except for St. Clair County Community Mental Health Authority, for purposes of this section, a permanent position is defined as a position normally requiring 1000 hours or more per calendar year. In case of doubt the Board of Trustees shall decide who is a member.
3. Section 5.1 © is added as follows:
Benefit group Mental Health Authority. All members employed by the St. Clair County Community Mental Health Authority.
4. Section 6.2 © is added as follows:
Benefit group Mental Health Authority. The individual has attained age fifty-five (55) Years and has twenty-five (25) or more years of credited service; or the individual has attained age sixty (60) years and has eight (8) or more years of credited service; or the individual has attained a combination of years and months of actual services and age equal to eighty (80) years, provided the individual has also completed twenty-five (25) years of actual service.
5. Section 6.4 © is added as follows:
Benefit group Mental Health Authority. A retiring employee shall be entitled to final Average compensation multiplied by years of service in accordance with the following schedule:

<u>Year</u>	<u>Service</u>	<u>Actual Multiplication</u>
1 through 10		1.75%
11 through 19		2.00%
20 through 24		2.00%
25 through 29		2.40%

Upon obtaining the twentieth (20) year, the multiplier shall be retroactive to the first year. The multiplier maximum shall not exceed sixty-nine and six-tenths (69.6%) percent.

6. Section 13.1(a) is amended as follows:

The financial objective of the retirement system is to receive contributions each fiscal Year which are sufficient to (i) fund the actuarial cost of benefits likely to be paid on account of Credited service earned by members during the fiscal year, and (ii) fund the unfunded actuarial Cost of benefits likely to be paid on account of credit service earned by members prior to the fiscal year over a period of not more than forty years. Contributions requirements shall be determined by annual actuarial valuations using a generally recognized level percent of payroll actuarial cost method consistent with applicable constitutional and statutory requirements. The Board of Trustees shall certify to the Board of County Commissioners, the County Road Commission and the County Community Mental Health Authority the amount of annual contributions needed to meet the financial objective and the Board of County Commissioners, the County Road Commission and the County Community Mental Health Authority shall appropriate and cause the contribution to be paid to the retirement system with each payroll.

7. Section 13.4 is amended as follows:

1) The reserve for employer contributions is the account to which is credited County and County Road Commission and County Community Mental Health Authority contributions and from which shall be made transfers to the reserve for pension payments and the reserve for undistributed investment income.

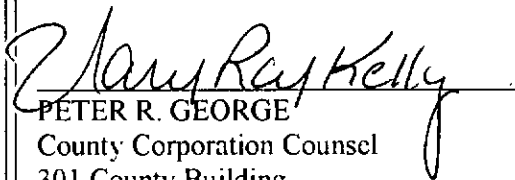
THEREFORE, BE IT RESOLVED, that the St. Clair County Board of Commissioners hereby adopts and approves the revisions as contained and set forth in this resolution to the St. Clair County Retirement Ordinance, and



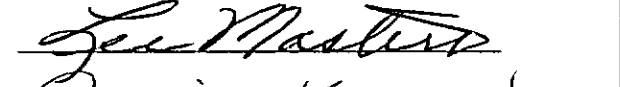

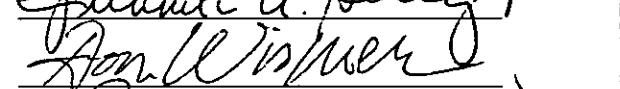
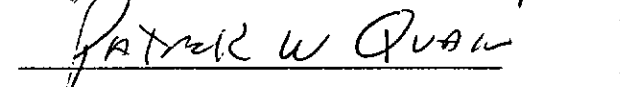

FURTHER RESOLVED, the St. Clair County Board of Commissioners hereby authorizes and directs that this resolution be forthwith transmitted to the County Pension Plan Committee for review and approval as an amendment to and to be included in the provisions of the St. Clair County Retirement Ordinance heretofore submitted to the County Pension Plan Committee; and

FURTHER RESOLVED, that the amendments and revisions contained herein together with the provisions heretofore submitted be in full force and effect immediately upon approval of the County Pension Plan Committee.

DATED: October 27, 1999

REVIEWED AND APPROVED AS TO FORM BY:


 PETER R. GEORGE
 County Corporation Counsel
 301 County Building
 Port Huron, MI 48060

RESOLUTION 99-33

ADOPTING COLLECTIVE BARGAINING AGREEMENT
BETWEEN ST. CLAIR COUNTY
AND
ST. CLAIR COUNTY PROBATE COURT SUPERVISORS' ASSOCIATION


WHEREAS, the St. Clair County Probate Court Supervisors' Association is recognized by the Michigan Employment Relations Commission, the St. Clair County Probate Court and the County of St. Clair, as the exclusive representative of certain supervisory employees of the St., Clair County Probate Court; and

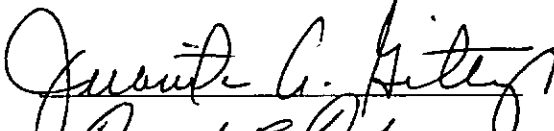


WHEREAS, the parties have collectively bargained mutually acceptable terms and conditions.

NOW, THEREFORE, BE IT RESOLVED, that the Collective Bargaining Agreement (Attached Exhibit "A"), for the period January 1, 1998 through December 31, 2000 is hereby approved and adopted.

DATED: October 13, 1999

Reviewed and Approved As To Form By:


PETER R. GEORGE
County Corporation Counsel
301 County Building
Port Huron, MI 48060



HUMAN RESOURCES DEPARTMENT

County of St. Clair, Michigan

County Administrative Office Building, 200 Grand River Avenue,
Suite 203, Port Huron, MI 48060-4093 (810) 989-6910
FAX (810) 985-3493

TERRY E. PETTEE
H. R. DIRECTOR

LYNN BOWMAN
FRINGE BENEFITS COORDINATOR

JOHN C. DEAN
LABOR RELATIONS COORDINATOR

A MEMO FROM
TERRY PETTEE - Human Resources Director

Date: October 6, 1999

To: Curt Leahy, Probate Court Supervisors Association

Subject: Tentative Contract Agreement

I recently received a request from the Court to amend all references to the Probate Court in the collective bargaining agreement to the Circuit Court - Family Division. Further, I was asked to amend Chief Probate Judge to Presiding Circuit Court Judge of the Family Division. While in the process of making these amendments I substituted Human Resources Department for Personnel Office in recognition of the County's administrative restructuring.

I enclose a whole new document, reflective of just these changes. There are no other changes in the document than those indicated above. Changes of one of the three types were made as follows;

Cover Page

Article 1 - By-Laws, 1.1, page 1

Article 3 - Recognition, 3.1, page 1

Article 4 - Management Rights, 4.1, 4.1:A. & B., page 2

Article 5 - Agency Shop, 5.3; page 3

Article 7 - Grievance Procedure, 7.4 and 7.7, page 5

Article 11 - Discharge and Discipline, 11.1, page 6

Article 18 - Educational Reimbursement, 18.3, pages 11 and 12

Article 28 - Term of By-Laws, 28.2, page 26

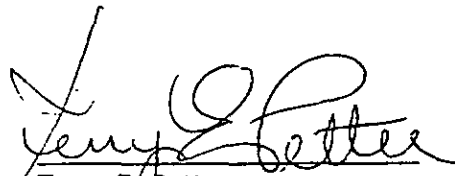
Letter of Understanding - Article 19 - Health, Life and Dental Care, first paragraph,
page 27

Letter of Understanding - Assistant Director of Juvenile Services/Referee Premium,
first paragraph and section 2, page 28

A Government of Service



I trust the Association understands and agrees to the necessity for these changes.



Terry E. Pettee
Human Resources Director

cc. Hon. Judge James Adair
Hon. Judge John Monaghan
Troy Feltman
Grant Nixon

AGREEMENT

BETWEEN

ST. CLAIR COUNTY CIRCUIT COURT - FAMILY DIVISION

AND

ST. CLAIR COUNTY BOARD OF COMMISSIONERS

AND THE

**ST. CLAIR COUNTY CIRCUIT COURT - FAMILY DIVISION
SUPERVISORS ASSOCIATION**

JANUARY 1, 1998

THROUGH

DECEMBER 31, 2000

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ARTICLE 1
BY-LAWS

1.1: This agreement made and entered into January 1, 1998 by and between the Circuit Court - Family Division, St. Clair County, herein termed the Employer, and the St. Clair County Board of Commissioners being the legislative body of said Employer, and the St. Clair County Circuit Court - Family Division Supervisors Association.

ARTICLE 2
PURPOSE AND INTENT

2.1: The general purpose of these By-Laws is to provide a foundation for the mutual cooperation of concerns of the Court and County and the Association's individual members as policy enforcers and in a limited sense policy makers. It is understood and agreed that the members, as supervisors, and the Court and County have a common purpose and goal to provide progressive leadership in the management of all its resources.

2.2: To these ends, the Employer and the Association encourage to the fullest degree friendly and cooperative relations between representatives of the parties hereto at all levels and among the local Association members.

ARTICLE 3
RECOGNITION

3.1: The Association is hereby recognized by the St. Clair County Circuit Court - Family Division and the St. Clair County Board of Commissioners as exclusive representative of employees in the following classifications:

Juvenile Detention Center Superintendent
Juvenile Detention Center Assistant Superintendent
Day Treatment Night Watch Program Director
Day Treatment Night Watch Program Assistant Director
Barr House Program Director
Barr House Program Assistant Director
Assistant Director of Juvenile Services
Insight Program Supervisor
Probation Staff Supervisor
Probate Registrar
Juvenile Registrar

3.2: The parties hereto agree that they shall not discriminate against any persons because of race, creed, color, national origin, age, sex, marital status or number of dependents, or handicap.

ARTICLE 4 MANAGEMENT RIGHTS

4.1: It is recognized that all rights, powers, and duties of their offices inherent therein or otherwise provided by law or Court rule are reserved and retained by the respective Judges of the Circuit Court - Family Division and Juvenile Court, except only as expressly abridged in these by-laws. The control of its properties, and the maintenance of order and efficiency is solely the prerogative and responsibility of the Court. Other rights and responsibilities not expressly abridged by these by-laws shall belong solely to the Court in addition to the following, and are hereby provided as illustration only and not by way of limitation:

A. The right to decide the number and location of its facilities, departments, and etc.; work to be performed within the unit; the right to alter or discontinue jobs, classifications, or practices; the maintenance and repairs; amount and kind of supervision necessary; methods and means of operation; scheduling and establishment of hours; manpower and work sites; full control of the selection examination, review, and evaluation of personnel, programs, operations and facilities; to determine when and where services will best facilitate the Circuit Court - Family Division.

B. Further, it is recognized that the responsibility and prerogatives of the Management of the Circuit Court - Family Division for the selection and direction of the working forces includes but is not limited to the right to decide the number of employees, the right to decide employee's qualifications; to determine the times and amounts of overtime to be worked; recesses and to carry out Supreme Court Directives concerning holidays; the right to make necessary rules and regulations governing employee's conduct and safety; and to relieve an employee from duty; all of which are vested exclusively in the Court, subject only to the provisions of this Agreement.

C. The Court's failure to exercise any function or right hereby directly or indirectly reserved to it or its exercise of such function or right in a particular way shall not be deemed a waiver of its rights to exercise such function or right or preclude the Court from exercising

the same in some other way not in conflict with the express provisions of this Agreement.

D. The Association acknowledges the practice of following the provisions of the Juvenile Court Manual, prescribing in detail the standards of operation prescribed for the orderly and required management of the Juvenile Court. It is further understood that the Juvenile Court Manual may from time to time require revision due to changes in federal and/or state laws and regulations.

ARTICLE 5 AGENCY SHOP

5.1: All current employees covered by these by-laws and all new employees hired after the effective date of these by-laws shall, as a condition of continued employment, become members of the Association and pay the monthly Association fees uniformly required of Association members or pay to the Association a representation fee as herein defined, effective thirty (30) days after the effective date of these by-laws or date of hire, whichever is later.

5.2: The representation fee shall be an amount as determined by the Association.

5.3: For those employees for whom properly executed payroll deduction authorization forms are delivered to the Human Resources Department, the Employer will deduct Association fees or representation fees each pay period as per such authorization and shall remit to the Association any and all amounts so deducted, together with a list of employees from whose pay such deductions were made.

5.4: If the bargaining unit member fails to comply, the Association shall send the following letter to the delinquent bargaining unit member and a copy to the Employer.

5.5: "The Association certifies that _____ has failed to tender the periodic representation fee required under the by-laws and demands that, under the terms of this agreement, the Employer deduct the delinquent representation fees from the association member's salary." (The Association certifies that the amount of the representation fee includes only the proportionately equivalent amount necessary for negotiations, grievance processing and administration of these by-laws).

5.6: The Employer, upon receipt of said notice and request for deduction, shall act pursuant to these by-laws. In the event of compliance at any time prior to deduction, the request for deduction will be withdrawn. The Association, in

enforcing this provision, agrees not to discriminate between Association members. The Association will defend and indemnify the Employer against all liability the Employer may incur by reason of deductions made pursuant to this paragraph.

5.7: The Association shall indemnify, defend, and save the Court and County harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or as a result from any conduct taken by the Court and County for the purposes of complying with the provisions of the article. It is further agreed that neither any employee nor the Association shall have any claim against the Court and County for any deductions made or not made, as the case may be, except that the Court and County shall be responsible to provide the Association with dues deducted from the employees pay. In no case shall the Court and County be responsible to pay to the Association or employee an amount equal to dues or representation fee which may or may not have been deducted and paid to the Association or employee.

ARTICLE 6 UNION REPRESENTATION

6.1: The Association shall be represented to the Employer by no more than three (3) representatives. The names and classifications of these employees shall be communicated in writing to the Probate Court Administrator and Human Resources Director of the County upon their selection and/or subsequent change.

6.2: The representative(s) shall be permitted to represent the employees to the Employer in matters of negotiation, grievances or concerns of the membership. No more than three (3) employees may be paid when in negotiations. No more than one (1) employee representative may be paid for time spent representing the Association in all other matters.

ARTICLE 7 GRIEVANCE PROCEDURE

7.1: A grievance shall be defined as an allegation of misapplication, misinterpretation or disregard of any provision of these by-laws.

7.2: An economic grievance shall be defined as any grievance affecting the salary, compensation and/or fringe benefits of an employee, except the issue of an employee's merit step increase which shall be at the sole discretion of the Employer and exempt from the grievance procedure.

7.3: A non-economic grievance shall be defined as any grievance affecting the administrative language of these by-laws excluding the administration of economic benefits.

7.4: An employee with an economic grievance shall within fifteen (15) calendar days from the incidence giving rise to the grievance take the matter up with the Court Administrator and Human Resources Director. Be it provided that the grieving employee shall be entitled to representation from one of the duly designated Association Representatives.

7.5: An employee with a non-economic grievance shall within fifteen (15) calendar days from the incidence giving rise to the grievance take the matter up with the Court Administrator. Be it provided that the grieving employee shall be entitled to representation from one of the duly designated Association Representatives.

7.6: An employee may appeal the decision of the economic grievance to final and binding Mediation through the Michigan Employment Relations Commission.

7.7: An employee may appeal the decision of the non-economic grievance to the Presiding Circuit Court Judge of the Family Division for a final and binding decision.

ARTICLE 8 **SENIORITY**

8.1: An employee shall have seniority from their most recent date of full time continuous hire for the purpose of the computation of applicable fringe benefits and application of all terms and conditions provided by these By-laws.

8.2: The Employer shall provide a duly designated representative a copy of a seniority roster of all Association members within two (2) calendar weeks of receipt of a written request.

8.3: The seniority shall indicate the name, classification and seniority date of all Association members.

ARTICLE 9 **LOSS OF SENIORITY**

9.1: An employee shall lose seniority for the following reasons only:

- A. Resigns.
- B. Employment is terminated and not reversed.

C. Retirement.

D. Does not return from an approved leave of absence, unless authorized in writing.

E. Death.

F. Absent for three (3) consecutive working days without providing notification to the supervisor. Notice will be sent to the employee's last known address. The grievance procedure shall be available to the employee provided it is initiated within time frames set forth in Article 7 - Grievance Procedure.

ARTICLE 10 DISCHARGE AND DISCIPLINE

10.1: A disciplined employee shall be provided with a written notice indicating the offense and the corrective action taken.

10.2: It shall be the responsibility of the disciplined employee to notify the Association at the discretion of the employee.

10.3: The disciplined employee shall be entitled to utilize the grievance procedure to appeal a disciplinary notice. The grievance shall be filed in accordance with Article 7 - Grievance Procedure.

10.4: In the event an Association member disciplines another Association member, a copy of the written notice shall be sent to the Court Administrator. In the event the discipline is reversed by the supervisor, the Court Administrator shall be notified.

ARTICLE 11 EMPLOYEE RECORDS REVIEW

11.1: In accordance with all applicable statutes an employee shall have the right to review the content of their employee personnel file. An employee may review their personnel file in the Human Resources Department during the County's regular hours of operation.

11.2: The employee may inquire into disciplinary actions taken against the employee provided in the Employers record. The Employer shall provide an inventory of all disciplinary items on record, defining these actions by circumstance and date. Be it provided, however, that the employee's statutory rights to review such records are not hereby waived.

11.3: The employee may request to receive copies of all disciplinary actions taken against the employee. The Employer shall provide copies of all such documentation at the expense of twenty-five cents (.25) per copy to the employee.

ARTICLE 12 NEW CLASSIFICATIONS

12.1: The Association shall be notified in writing of a new classification within ten (10) working days of its effective date. The Association shall also be advised of the rate structure.

12.2: The Association shall, within ten (10) working days, provide written request to negotiate the rate of pay or the matter will be considered resolved.

12.3: The Court shall be entitled to appoint an employee to the new classification so long as timely notice is provided the Association, regardless of whether there is mutual agreement on the rate of pay.

ARTICLE 13 WORKING HOURS

13.1: The employee who works more than seven-and-one-half (7 1/2) or eight (8) hours, according to past practice, in a day or beyond the normal thirty-seven-and-one-half (37 1/2) or forty (40) hours in a week, according to past practice shall be entitled to either compensatory time or overtime pay at a rate of one-and-one-half (1 1/2) times their normal hourly rate, as determined by the Court.

13.2: Compensatory time off may be granted only at the mutual consent of the employee and supervisor.

13.3: Work performed on a holiday shall be compensated at two-and-one-half times (2 1/2). The employee shall be paid the holiday pay or be granted straight pay and one-and-one-half (1 1/2) time as compensatory time as determined by the Court.

13.4: Overtime may only be permitted to be worked when authorized by a supervisor with the consent of the Court. The Court shall be entitled to withhold granting compensatory time or overtime to an employee who does not have Court authorization to work.

ARTICLE 14
LEAVE OF ABSENCE

14.1: Leaves of absence for reasonable periods, not to exceed one (1) year, will be granted without loss of seniority for:

- A. Illness leave (physical or mental); and**
- B. Prolonged illness of spouse or child**

All leaves granted shall comply with the period of medical disability stipulated in writing by the attending physician. The Court may require an employee on a leave of absence due to illness to submit to an examination by a physician chosen by the Court, provided the charges of the physician are paid by the Court.

14.2: An employee may be entitled to a leave of absence under the Family and Medical Leave Act of 1993. Notice to employees of their rights under the ACT and a fact sheet shall be provided the employee in a reasonable method and manner. Leave taken under the ACT will be taken consistent with the ACT, the collective bargaining agreement and the policy of the County.

14.3: Upon Court approval leaves of absence for reasonable periods, not to exceed one (1) year, may be granted without loss of seniority for educational purposes. Such a leave shall be consistent with meeting the operating needs of the department.

14.4: An employee who fails to return to work after one (1) year of approved leave, shall be considered to have resigned.

14.5: All leaves based upon illness, including maternity, shall be supported by a statement from the attending physician, when requested by the Court. In all cases of illness extending beyond seven (7) calendar days, the employee shall provide, upon request by the Court and at reasonable intervals, physician statements evidencing the employee's inability to return to normal work duties.

14.6: In no case shall an employee be granted a leave of absence greater than their accrued seniority.

14.7: An employee shall not be entitled to return to work from a leave of absence due to illness without medical verification by the attending physician of medical recovery.

14.8: Request for a leave of absence shall be submitted in writing to the Court.

14.9: While on a leave of absence without pay for any reason, the employee accrues no vacation time, sick days, retirement credit, or gain from any other fringe benefit. An employee on a leave of absence receiving salary continuation by way of long term disability insurance shall be considered to be on a leave with pay. An employee eligible for short term disability but with insufficient accrued days to continue salary during the first twenty (20) working days of absence shall be considered to be on a leave with pay for purposes of computing fringe benefits.

14.10: Failure to report to work or provide satisfactory explanation when scheduled to return to work after the expiration of a leave of absence shall result in an immediate discharge.

14.11: The Court shall provide the employees the opportunity to return to the position held at the time the leave of absence was granted if the position is funded.

ARTICLE 15 WORKER'S COMPENSATION

15.1: All employees shall be subject to the St. Clair County's Worker's Compensation Plan.

15.2: When an employee is injured during the course of employment, the alleged injury shall be reported to a supervisor as soon as possible. The supervisor shall complete an accident report on the form provided by the County and submit it to the ~~Personnel Office~~ → HRD

15.3: In the event of an alleged injury, the supervisor shall immediately contact the ~~Personnel Office~~ → HRD

15.4: The County shall provide the employee the opportunity to supplement Worker's Compensation from accrued sick days on a leave of absence due to a work related illness or injury. The supplemental compensation shall provide the difference between Worker's Compensation and the employee's normal pay minus Federal, State, local and F.I.C.A. taxes. The supplemental compensation shall be deducted from the employee's accrued sick days but in no case exceed the employee's accrued sick days.

15.5: When an employee is eligible for Worker's Compensation, the employee shall endorse to the County the Worker's Compensation check and the County shall continue to provide the employee a regular pay check minus normal authorized payroll deductions to the extent of their accrued sick days.

15.6: Employees who elect not to supplement their Worker's Compensation, or who have no or insufficient sick days or who exhaust their sick days while on an injury leave, shall retain the Worker's Compensation check as directed by the County.

15.7: The employee who elects to supplement worker's compensation shall have one (1) sick day deducted from their accrual for each three (3) days of compensable absence.

ARTICLE 16
ASSOCIATION BULLETIN BOARD

16.1: The Association shall be granted bulletin board space by the Court for the following notices:

- A. Notices of Association recreational and social events.
- B. Notices of Association elections.
- C. Notices of results of Association elections.
- D. Notices of Association meetings.

ARTICLE 17
RETIREMENT

17.1: All full time regular employees shall, upon their date of hire, participate in the St. Clair County Employees Retirement Plan.

17.2: The County shall determine the level of funding necessary to assure and maintain the financial stability of the system, provided that the employee's contribution shall not exceed five percent (5%).

17.3: Employees who terminate their employment prior to eligibility for retirement may withdraw the amount they contributed plus interest. Contributions withdrawn from the plan prior to retirement shall result in termination of all benefits from the plan.

17.4: A retiring employee shall be entitled to final average compensation multiplied by years of service in accordance with the following schedule:

<u>Years of Service</u>	<u>Annual Multiplier</u>
1 through 10	1.75%
11 through 19	2.00%
20 through 24	2.00%
25 through 29	2.40%

Upon attaining the twentieth (20th) year, the multiplier shall be retroactive to the first year. The multiplier maximum accrual shall not exceed sixty-nine and six tenths percent (69.6%). Effective January 1, 2000 the multiplier shall increase to but not exceed seventy-five percent (75%) at thirty-one (31) years and three (3) months.

17.5: A retiring employee shall be eligible to participate in the health care program established by the retirement plan upon attaining twenty (20) years of service. Employees with twenty (20) or more years shall not be required to pay the premium for basic coverage.

17.6: An employee shall be eligible for early retirement when the combination of years and months of actual service and age equal eighty (80) years, provided the employee shall also have completed twenty-five (25) years of actual service. Years of actual service shall mean that period of time employed and contributing to the St. Clair County Employee Retirement Plan and excluding, by way of example, reciprocity through other retirement plans or the purchase of military service time.

17.7: Effective January 1, 2000 retirement shall be computed on the base salary, and where applicable service recognition, and shall not include compensation from;

- a. overtime pay,
- b. compensatory time payoff,
- c. vacation accrual upon separation from employment for any reason, and/or
- d. sick day accrual payoff upon separation from employment for any reason.

ARTICLE 18 EDUCATIONAL REIMBURSEMENT

18.1: Employees enrolled for accredited extension or formal education courses may request reimbursement for tuition, fees, and supplies. Approval for reimbursement shall only be considered when the education maintains or improves the employee's skills in the area in which they are employed.

18.2: Requests for reimbursement must be made in writing and shall include a description of the course, the beginning and concluding date of the course, the cost of tuition, fees and supplies (such as books, manuals or special materials) and, if applicable, grants, aids or scholarships available or provided.

18.3: Approval of the request for reimbursement shall be contingent upon available funding, the relevancy of the course to the employee's job and the employee obtaining a passing grade in the course. The Presiding Circuit Court Judge of the

Family Division shall have the right to approve or deny the request for reimbursement for all or part of any tuition, fees, and/or supplies as provided in 18.4. Presiding Circuit Court Judge of the Family Division approval, if granted, must be in writing and shall stipulate the extent of tuition, fees and/or supplies to be reimbursed. The request shall be considered to be denied in the absence of written approval.

18.4: Reimbursement shall not exceed five hundred dollars (\$500) per course. Reimbursement shall be provided only upon obtaining a passing grade.

18.5: An employee shall have at least one year of full time service with the Court to be eligible for consideration.

18.6: An employee who successfully completes a course, with or without reimbursement, shall not necessarily be entitled to an automatic promotion, extraordinary advancement in the salary range or a higher classification based upon completion of the course or attainment of a degree or certification.

18.7: An employee shall not be entitled to attend class or complete class assignments during their regularly scheduled working hours at the expense of the Court. Nor shall the employee be entitled to utilize the resources of the Court including supplies, equipment or personnel without supervisory approval. Failure to comply with either provision may result in forfeiture of reimbursement for the course expenditures or discipline including discharge or both.

ARTICLE 19 HEALTH, LIFE AND DENTAL CARE

19.1: Each full time employee shall be eligible to participate in the Blue Cross/Blue Shield PGS comprehensive medical and hospitalization plan with the following riders:

- Hospital Deductible - \$150 - Employee/\$250 - Family
- ML - Laboratory and X-Ray Expense Benefits
- D45NM - TB and Nervous and Mental Expense Benefits
- SAT-2 - Substance Abuse Programs
- Medicare 2 - 1 - Medicare Complimentary Coverage
- FC - Dependent Eligibility
- SD - Sponsored Dependent
- COB - Coordination of Benefits
- \$ 5.00 Co-Pay - Prescription Drug Rider
- Master Medical Option 1
- Case Management
- Precertification

F AE-RC - Emergency Room
VCA - 80 - Optical
VST - Voluntary Sterilization
HCB-1 - Hospice Care
RM - Routine Mammogram
RP - Routine Pap Smear

The County shall have authority to select the health care plan provider, provided such coverage is comparable.

The Employer shall pay the plan cost with the following exceptions:

- a. Employees hired on or after January 1, 1986 shall pay 100% of FC, SD, and/or Medicare 2-1 riders plan costs.
- b. Employees hired prior to January 1, 1986 who do not enroll dependents on the FC, SD and/or Medicare 2-1 riders until after February 24, 1988 shall pay 50% of the rider plan costs and the County shall pay 50% of the plan costs.
- c. Employees hired prior to January 1, 1986 with enrolled dependents shall not pay any of the FC, SD and/or Medicare 2-1 riders plan costs. Be it provided, however, that enrollment changes on or after the February 24, 1988 shall be subject to the preceding subsection B.
- d. Employee premium cost shall be paid by way of payroll deduction.

19.2: Full time employees shall be entitled to select any one of the following options in the place of the core option.

A. OPTION I

All coverages and riders subject to:

- * \$100/\$200 Deductible
- * 80/20 cost share of usual, reasonable and customary charges.
- Precertification/Case Management
- Annual Cash Rebate (Paid Bi-Weekly)
- * \$200 - Single Plan
- * \$335 - Two Person Plan
- * \$410 - Family Plan

B. OPTION II

All coverages and riders subject to:

- * \$250/\$500 Deductible
- * 80/20 cost share of usual, reasonable customary charges.
- Precertification/Casemanagement
- Annual Cash Rebate (Paid bi-weekly)
- * \$400 - Single Plan
- * \$675 - Two Person Plan
- * \$830 - Family Plan

C. OPTION III

Full time employee's eligible to participate in the plan but who elect not to participate shall be entitled annual compensation as follows:

- * \$1350 - Family Plan subscriber
- * \$1100 - Two Person subscriber
- * \$ 650 - One Person subscriber

Payment shall be made in equal bi-weekly installments with the employee's paycheck. The employee may elect the compensation through deferred compensation or individual flexible spending account. The employee shall have sole responsibility to apply for deferred compensation which shall be consistent with all terms and conditions of deferred compensation.

19.3: In the event federal or state legislation is enacted that affects either the benefit design or the cost of providing health care, the parties shall meet and if necessary bargain to a mutually satisfactory resolution.

19.4: All employee plan costs shall be paid by way of payroll deduction in advance of the effective date of coverage. The plan cost(s) shall be paid in equal or near equal installments the first two (2) pay periods of each month.

19.5: The County shall provide full time employees with the plan 100/50/50 dental insurance with a carrier of the County's choosing:

A. CORE OPTION

- * Plan 100 50/50 to an annual maximum of \$600 per individual.
- * Orthodontia Plan 50/50 to a lifetime maximum of \$1500 of \$3000 per individual.

B. OPTION I

* \$200 to a flexible reimbursement account.

C. OPTION II

* \$150 cash rebate.

19.6: The Employer will provide group life insurance plan for qualified insurance employees as the core option, as follows:

<u>SALARY</u>	<u>LIFE INSURANCE AMOUNT</u>
Less than \$35,000	\$40,000
\$35,000 to \$39,999	\$45,000
\$40,000 or more	\$50,000

A. OPTION I

The eligible employee may purchase an additional amount equal to the core at the employer's group rate. The employee shall be subject to and responsible for any and all taxes on the premium amount as determined by the IRS.

B. OPTION II

The eligible employee may purchase an amount equal to twice the core at the employer's group rate. The employee shall be subject to and responsible for any and all taxes on the premium amount as determined by the IRS.

19.7: In order to acquire and maintain health and/or dental benefits, the employee must enroll and register subsequent changes and modifications as they occur and in accordance with the governing regulations established by the County and/or the plan provider.

19.8: An employee who fails to provide timely notice of a status change may be required to reimburse the County for the difference in plan costs.

19.9: On an approved leave of absence without pay, the employee may continue plan payment within the provision of the plan provider policy or forfeit plan eligibility and coverage.

19.10: Full time employees shall be entitled to contribute pretax dollars to a flexible spending account for uninsured health care and/or dependent care, in accordance with the policy established by the County and the plan administrator.

ARTICLE 20
SERVICE RECOGNITION

20.1: Full time employees hired prior to March 14, 1994 shall be eligible for a lump sum payment in recognition of their years of continual service shall be paid based on the following schedule:

<u>Years of Service</u>	<u>% of Base Salary</u>	<u>Maximum Payment</u>
5 - 9	2%	\$ 800
10 - 14	4%	\$ 1,600
15 - 19	6%	\$ 2,400
20 - 24	8%	\$ 3,200
25 +	10%	\$ 4,000

Employees who satisfy the minimal requirements each year shall be paid a single lump sum the first full pay period following the date of their anniversary of full time employment.

20.2: In the event an eligible employee's anniversary occurs during an approved leave of absence, the employee shall be entitled to a lump sum payment. The payment shall be prorated to reflect leave without pay or reduced pay.

20.3: Employees with ten (10) or more years of service shall be entitled to a prorated lump sum payment in the event of honorable employment termination, retirement or death in service.

ARTICLE 21
SICK DAYS AND DISABILITY INSURANCE

21.1: Full time employees shall be credited with one (1) sick day upon each monthly anniversary to be used for the purposes provided by this Agreement. Any sick day use other than provided by this Agreement shall be considered a misuse and an abuse.

21.2: Full time employees shall be entitled to accrue sick days to a maximum of thirty (30) days.

21.3: In the event of a serious illness to the spouse, parent, spouse's parent or child, the employee shall be entitled to use up to a maximum of ten (10) sick days per incident as approved by the supervisor. The supervisor may extend this to an additional twenty (20) sick days.

21.4: In the event of a death to a member of the immediate family, the employee may use sick days to a maximum of five (5) days as determined by the supervisor. Immediate family shall be defined as: mother, father, step-parent, brother, sister, spouse, child, step-child, grandparent, grandchild or immediate family of the spouse according to the preceding definition.

21.5: The supervisor may require proof of serious illness or death prior to approval of any sick day use. Employees who attempt to use or use sick days for reasons other than provided herein shall be subject to discipline.

21.6: An employee shall not be entitled to use more sick days than have been accrued or in advance of days to be credited.

21.7: An employee who uses six (6) days in a ninety (90) day period, without a statement from their attending physician indicating the nature of their illness may be on a "proof required status". Proof required status shall mean the employee must provide a statement from their attending physician indicating the nature of the illness in order to be eligible for sick day pay. An employee shall be on proof required status for ninety (90) calendar days. The employee who fails to provide appropriate medical verification shall be subject to discipline. The Court Administrator or designee may choose not to place the employee on proof required status if the employee has not exhibited a questionable attendance pattern during the preceding one (1) year.

21.8: Sick days may be taken in place of normally scheduled work days, excluding holidays. Sick days used during an approved vacation shall not result in deduction from vacation accumulation but rather from sick day accumulation. The supervisor shall have the right to require the employee to provide a physician's statement verifying an illness during a vacation.

21.9: An employee shall be eligible for salary continuation when an illness or injury extends beyond twenty (20) consecutive work days. Compensation shall commence the twenty-first (21st) work day and shall provide two-thirds (2/3) of the disabled employee's normal pay before all payroll deductions including taxes and F.I.C.A. Salary continuation shall be for a period of five (5) years. Verification of a continuing medical disability may be required by the County in order to provide salary continuation. Salary continuation shall be offset by benefits derived from the County's Retirement Plan, Social Security and/or Worker's Compensation.

21.10: The County shall provide the disabled employee salary continuation from the twenty-first (21st) work day to the one hundred and eightieth (180th) calendar day from disability. During the period that the County provides the disabled employee salary continuation, the employee shall be entitled to continuation of the fringe benefits which shall be provided consistent with the employee's reduced salary. In

other words, all benefits based upon salary shall be computed upon the reduced salary.

21.11: The disabled employee shall be ineligible for salary continuation for refusal to accept an offer of work in an economically equivalent classification.

21.12: Commencing the one hundred and eighty-first (181st) calendar day salary continuation shall be provided by an insurance carrier of the County's choice or by the County at the County's discretion. At such time the disabled employee shall not be eligible for fringe benefits. Be it provided, however, that the disabled employee shall be entitled to obtain group health insurance through the County in accordance with the following safeguards and conditions.

A. The disabled employee shall be entitled to six (6) months of health care coverage provided the employee pays fifty percent (50%) of the premium costs.

B. The County shall require prepayment of all premium costs.

21.13: In the event of an unpaid leave of absence the employee is eligible to purchase health care coverage from the date the leave is unpaid. Be it provided the employee shall be required to pay fifty percent (50%) of the premium cost determined by the County and shall be entitled to purchase health care coverage for a period not to exceed six (6) months.

21.14: The employee shall be entitled to select either of the following options to the core salary continuation (disability) plan.

A. CORE OPTION

- * 66 2/3% of base salary
- * 5 years from date of disability
- * \$4,000 monthly maximum

B. OPTION I

- * 70% of base salary
- * Benefit to age 65
- * \$6,000 monthly maximum

The employee electing Option I shall pay, by bi-weekly payroll deduction, the difference in premium between the Core Option and Option I at the County's Group Rate.

21.15: Nothing shall prohibit the County from offering the employee a redemption in lieu of salary continuation. Be it provided, however, that the employee shall have sole responsibility to accept or reject a redemptive offer.

21.16: The employee shall be eligible to supplement disability compensation with vacation or sick days on a ratio of one (1) vacation day or one sick day to three (3) days of absence in order to remain at full normal gross salary.

21.17: When an employee's illness or physical condition raises the question of fitness to perform normal duties, or if the employee exhibits questionable attendance, the Court may require the employee to submit to a physical examination and the Court shall pay the expenses incurred.

21.18: An employee on an approved disability leave using sick days, salary continuation or disability insurance shall be subject to all the provisions of Article 14 - Leave of Absence.

21.19: The employee must promptly notify their Supervisor of their absence or be subject to discipline.

21.20: Upon termination of employment, an employee with accrued sick days shall be entitled to receive compensation to a maximum accrual of thirty (30) sick days based upon the following graduated schedule of months of service.

<u>Months of Service</u>	<u>% of Accrual</u>
12 to 24	20%
25 to 36	30%
37 to 48	40%
49 to 60	50%
61 to 72	60%
73 to 84	70%
85 or more	80%

21.21: The Court recognizes its responsibility to comply with all existing federal and state laws.

ARTICLE 22 **VACATIONS**

22.1: Full-time employees shall be entitled to vacation according to the following schedule:

<u>Years of Service</u>	<u>Days</u>
1 - 2	5
3 - 4	10
5 - 9	17
10 - 14	20
15 - 19	23
20 - 24	25
25 +	28

22.2: The full allocation of days according to the above schedule shall be credited to the employee upon each anniversary of full-time employment with the department.

22.3: Vacation days shall not be used prior to their being credited or beyond the number of those days accumulated.

22.4: An employee shall be entitled to carry forward from the previous years accrual as many days that when added to the anniversary credit does not exceed thirty-five (35) days. In other words, an employee shall not be entitled to maintain an accrual of more than thirty-five (35) days at any time.

22.5: Vacation days must have the prior approval of the Court to be used. Approval shall be contingent upon meeting the operational needs of the Court but approval shall not be unreasonably withheld. Seniority shall prevail when requests are simultaneous within the same classification.

22.6: A holiday occurring during a paid vacation leave shall not be deducted from the vacation accumulation.

22.7: Upon termination, retirement or death, the employee or beneficiary shall be paid the total accrued unused vacation days and a prorated pay off of vacation time from their date of separation retroactive to their last anniversary of employment. Be it provided, however, that such pay off of unused days shall not exceed thirty-five (35) days of pay.

ARTICLE 23 HOLIDAYS

23.1: All full time regular employees shall be subject to the Holiday Schedule established by the State Supreme Court Administrators Office.

23.2: To be eligible for a holiday, an employee shall work the last scheduled work day before the holiday and the first scheduled work day after the holiday, unless authorized the day off.

23.3: In a department which normally works five days a week, Monday through Friday, and a holiday falls on a Saturday it shall be celebrated on the preceding Friday. When a holiday falls on a Sunday, it shall be celebrated on the following Monday.

23.4: Employees who work a holiday shall be compensated at two-and-one-half (2 1/2) times that rate pay consistent with Article 13 -Working Hours, Section 3.

23.5: Employees who work in a 24 hour facility and are normally scheduled to work a Saturday and/or Sunday, shall celebrate the holiday on the day it actually occurs or be granted another day off if the holiday falls on their scheduled day off.

ARTICLE 24
JURY DUTY, SUBPOENA AND WITNESS FEE

24.1: An employee who is called to perform jury duty shall inform the Employer immediately.

24.2: Employees on jury duty shall be paid regular pay for performing jury duty during regularly scheduled work hours. Pay for jury duty shall be returned to the Employer in lieu of regular salary.

24.3: Time spent on jury duty shall not be deducted from sick days or vacation days, nor adversely effect any fringe benefits.

24.4: Any reimbursements (by way of example: mileage, lodging, and/or reimbursable out-of-pocket expenses) shall belong to the employee. If such a reimbursement is paid as part of the jury pay, the County shall provide the reimbursement portion only to the employee with suitable documentation, in a reasonable time and manner.

24.5: Employees who are subpoenaed to produce records or to act as a witness shall continue to receive their normal pay when employment related.

24.6: Any compensation, such as subpoena or witness fees, but not including reimbursement of actual personal expenses, shall be surrendered to the County Treasurer.

ARTICLE 25
MILEAGE ALLOWANCE AND EXPENSE REIMBURSEMENT

25.1: Employees who use their personal vehicles on business required by the County shall be reimbursed at the maximum non-taxable rate allowable by the US Department of Internal Revenue.

25.2: Court approved expenses for out-of County lodging and meals shall be reimbursed to the employee when attendance is at employment related activities.

ARTICLE 26
EMPLOYEE LIABILITY

26.1: The County shall indemnify each employee against claims of liability which may arise from course of employment.

**ARTICLE 27
WAGES**

2.5% - Effective 01/01/98

	<u>START</u>	<u>6 MOS.</u>	<u>1 YEAR</u>	<u>2 YEAR</u>	<u>3 YEAR</u>	<u>4 YEAR</u>
Assistant Juvenile Services Director	\$45,178	45,959	46,757	48,383	50,073	51,833
Barr House Director	\$30,447	31,026	31,618	32,853	34,092	35,396
Barr House Assistant Director	\$23,274	23,721	24,175	25,104	26,067	27,070
Probation Staff Supervisor	\$38,149	38,878	39,622	41,139	42,860	45,072
Day Treatment Program Supt.	\$40,760	41,488	42,433	43,750	45,471	46,969
Day Treatment Program Asst. Supt.	\$33,593	34,170	34,761	35,961	37,208	38,511
Juvenile Center Superintendent	\$42,784	43,614	44,457	46,180	47,978	49,845
Juvenile Center Assistant Supt.	\$35,506	36,157	36,850	38,235	39,674	41,173
Juvenile Center Ass't. Supt./Referee	\$37,006	37,657	38,350	39,735	41,174	42,673
Juvenile Registrar	\$25,537	26,048	26,570	27,632	28,737	29,883
Probate Registrar	\$33,992	34,637	35,294	36,636	38,033	39,482
Insight Program Director	\$34,506	35,424	36,048	37,326	38,655	40,038

ARTICLE 27
WAGES

2.5% - Effective 01/01/99

	<u>START</u>	<u>6 MOS.</u>	<u>1 YEAR</u>	<u>2 YEAR</u>	<u>3 YEAR</u>	<u>4 YEAR</u>
Assistant Juvenile Services Director	\$46,307	47,108	47,926	49,593	51,325	53,129
Barr House Director	\$31,208	31,802	32,408	33,674	34,944	36,281
Barr House Assistant Director	\$23,856	24,314	24,779	25,732	26,719	27,747
Probation Staff Supervisor	\$39,103	39,850	40,613	42,167	43,932	46,199
Day Treatment Program Supt.	\$41,779	42,525	43,494	44,844	46,608	48,143
Day Treatment Program Asst. Supt.	\$34,433	35,024	35,630	36,860	38,138	39,474
Juvenile Center Superintendent	\$43,853	44,704	45,568	47,335	49,177	51,091
Juvenile Center Assistant Supt.	\$36,394	37,061	37,771	39,191	40,666	42,202
Juvenile Center Ass't. Supt./Referee	\$37,894	38,561	39,271	40,691	42,166	43,702
Juvenile Registrar	\$26,637	27,161	27,696	28,785	29,917	31,092
Probate Registrar	\$34,842	35,503	36,176	37,552	38,984	40,469
Insight Program Director	\$35,369	36,310	36,949	38,259	39,621	41,039

ARTICLE 27
WAGES

2.5% - Effective 01/01/00

	<u>START</u>	<u>6 MOS.</u>	<u>1 YEAR</u>	<u>2 YEAR</u>	<u>3 YEAR</u>	<u>4 YEAR</u>
Assistant Juvenile Services Director	\$47,465	48,286	49,125	50,833	52,608	54,457
Barr House Director	\$31,988	32,597	33,218	34,516	35,818	37,188
Barr House Assistant Director	\$24,452	24,922	25,398	26,375	27,387	28,441
Probation Staff Supervisor	\$40,081	40,846	41,628	43,221	45,030	47,354
Day Treatment Program Supt.	\$42,823	43,588	44,581	45,965	47,773	49,347
Day Treatment Program Asst. Supt.	\$35,294	35,900	36,521	37,782	39,091	40,461
Juvenile Center Superintendent	\$44,949	45,822	46,707	48,518	50,406	52,368
Juvenile Center Assistant Supt.	\$37,304	37,988	38,715	40,171	41,683	43,257
Juvenile Center Ass't. Supt./Referee	\$39,804	39,488	40,215	41,671	43,183	44,757
Juvenile Registrar	\$27,303	27,840	28,388	29,505	30,665	31,869
Probate Registrar	\$35,713	36,391	37,080	38,491	39,959	41,481
Insight Program Director	\$36,253	37,218	37,873	39,215	40,612	42,065

ARTICLE 28
TERM OF BY-LAWS

28.1: These by-laws shall be in force from the date of execution as evidenced by the signatures of the parties below through and including December 31, 2000. Be it provided, however, that salaries shall be implemented retroactive to January 1, 1998 or upon date of employee hire if after January 1, 1998. All other benefits and conditions shall be implemented upon execution of these by-laws or as soon thereafter as such benefits can be provided or obtained.

28.2: It shall be the exclusive responsibility, authority and prerogative of the Association to notify the Employer of its desire to amend or modify these by-laws. Such notice shall be made in writing to the Presiding Circuit Court Judge of the Family Division with a copy to the County Administrator/Controller within the period October 1, 2000 through and including December 31, 2000 or the Association shall be considered to have decertified and the parties shall be prohibited from collective bargaining.

28.3: Should any law now existing or hereafter enacted, or any proclamation, regulation or edict of any state or national agency invalidate any portion of these by-laws, the entire by-laws shall not be invalidated. Should any portion, by such circumstances as provided above, become invalid, either party may request and the parties shall meet to negotiate the invalidated portion.

28.4: Any and all letters of agreement now here to or hereafter attached shall be considered and are part of these by-laws.

IN WITNESS WHEREOF, the parties here to have executed these by-laws
this _____ day of _____, 1999.

FOR THE ASSOCIATION

FOR THE COURT AND COUNTY

DATE _____

DATE _____

**LETTER OF UNDERSTANDING
REGARDING
ARTICLE 19 - HEALTH, LIFE AND DENTAL CARE**

The St. Clair County Circuit Court - Family Division, the County of St. Clair and the Circuit Court - Family Division Supervisors Association, hereby establish and agree concerning the implementation of certain Health and Dental Care benefits as follows:

1. The County of St. Clair shall implement the following Health Care Riders at the earliest possible following mutual ratification of the collective bargaining agreement;

- VST - Voluntary Sterilization
- HBC-1 - Hospice Care
- RM - Routine Mammogram
- RP - Routine Pap Smear

2. The County of St. Clair shall implement the following Dental Care Orthodontia lifetime maximum of \$1,500 of \$3,000 at the earliest possible following mutual ratification of the collective bargaining agreement.

FOR THE ASSOCIATION

DATE: _____

FOR THE COURT AND COUNTY

DATE: _____

**LETTER OF UNDERSTANDING
REGARDING
ASSISTANT DIRECTOR OF JUVENILE SERVICES/ REFEREE PREMIUM**

The St. Clair County Circuit Court - Family Division (hereafter the Court), the County of St. Clair and the Circuit Court - Family Division Supervisors Association, hereby establish and agree concerning the implementation of a premium for Curt Leahy (hereafter the employee), Assistant Director of Juvenile Services, in recognition of his assignment as a referee, as follows;

1. Effective January 1, 1999, and through the 1999 calendar year, the employee shall be entitled to an annual premium of six thousand three hundred and forty six dollars (\$6,346) to be provided in bi-weekly installments along with his regular pay.

2. Effective January 1, 2000, and through the 2000 calendar year, the employee shall be entitled to an annual premium of five thousand seven hundred and sixty five dollars (\$5,765) to be provided in bi-weekly installments along with his regular pay. In the event the salary of the Circuit Court - Family Division Attorney/Referee exceeds the anticipated annual adjustment of two-point-five percent (2.5%), the employee shall be entitled to additional premium to provide equity based upon the formula in providing the premium in sections 2 and 3 this letter of understanding.

3. The Court shall exclusive and unilateral right and authority as the employer to determine the tasks to be assigned to each classification subject to this collective bargaining agreement. In the event the Court determines the Assistant Director of Juvenile Services is not to function as a referee, the employee shall not be entitled to annual premium.

FOR THE ASSOCIATION

DATE _____

FOR THE COURT AND COUNTY

DATE _____

BOARD OF COUNTY COMMISSIONERS
COUNTY OF ST. CLAIR

RESOLUTION APPROVING
TOWNSHIP OF BURTCHVILLE PROJECT

Minutes of a Regular meeting of the Board of Commissioners of the County of St. Clair, Michigan, held in the County Administration Building on the 22 day of September, 1999, at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Members Commissioners Acciavatti, Dodge, Gittings, Quain,
Masters and Wismer

ABSENT: Members Keegan

The following preamble and resolution were offered by Member Wismer and supported by Member Masters.

WHEREAS, the Township of Burtchville (the "Local Unit") has presented to the St. Clair County Board of Public Works (the "DPW") a request that the County of St. Clair (the "County") through the DPW issue bonds in one or more series in the aggregate total amount not to exceed \$2,500,000, payable from contractual payments to be made by the Local Unit to the County through the DPW and secured secondarily by a pledge of the County's limited tax full faith and credit, said bonds to finance costs of acquiring, constructing, financing and operating necessary water supply system improvements to service the Local Unit (the "Project"); and

WHEREAS, the DPW has reviewed said request and the financial and engineering aspects of the Project and has determined the same to be feasible if undertaken by the County and the Project is within the scope of the authority of the County and the DPW but is not

financially desirable to be undertaken by the Local Unit alone, and to be necessary for the public health, safety and welfare specifically of the Local Unit and its inhabitants and generally of the County; and

WHEREAS, the DPW has recommended to this Board that the Project be given tentative approval and that the Board of Public Works be authorized to undertake initial steps toward the financing and construction of the Project, subject, however, to certain conditions;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This Board does hereby give its initial and tentative approval to the aforesaid Project and does authorize the DPW to undertake the financing and construction of the Project, subject, however, to final approval of this Board upon submission to this Board of the documents evidencing agreement between the Local Unit and the DPW acting for and on behalf of the County for the acquisition, construction, financing and operation of the Project. The Local Unit will pledge its limited tax full faith and credit to the payment of the Local Unit's contractual obligations to the County, requiring the Local Unit to levy taxes annually to the extent necessary to provide funds to meet all or part of such contractual obligations when due.

2. The DPW shall contract or cause the Local Unit to contract for the necessary engineering services to determine specifications and draw plans for the Project and shall enter into negotiations with the Local Unit and other parties involved for the execution of contracts covering the acquisition, construction, financing and operation of the Project.

3. The DPW shall employ the following consultants already working with the Local Unit or the County in connection with the completion of the Project:

As Bond Counsel: Miller, Canfield, Paddock and Stone, P.L.C.
Detroit, Michigan

As Financial Consultants: Bendzinski & Co., Inc.
Detroit , Michigan

As Engineers: BMJ Engineers & Surveyors, Inc.
Port Huron, Michigan

4. This Board hereby estimates the total cost of constructing the Project to be not more than \$2,500,000 including all engineering fees, financing costs and contingencies, such estimate is subject, however, to revision upon submission of final cost estimates or receipt of bids for the Project.

5. All agreements between the DPW and the Local Unit shall be subject to final approval and ratification by this Board.

6. This Board hereby approves the advancement of funds from the Local Unit in order to commence promptly the Project necessary for the public health and later reimbursement to the Local Unit from bond proceeds.

7. The DPW is hereby authorized through its the Director, Chairman and Secretary, to execute and file the necessary orders, applications and supporting documents with the Michigan Department of Treasury to obtain an order of prior approval or an order providing exception from prior approval for the bonds.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Commissioners Dodge, Gittings, Masters, Quain and Wismer

Abstain: Commissioner Acciavatti due to possible conflict of interest

ABSENT: Members Commissioner Keegan

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

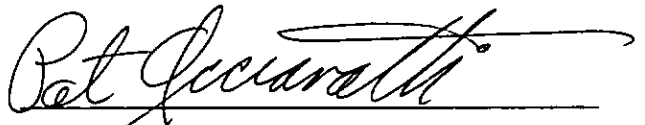
Secretary

DATED: September 22, 1999

Reviewed and Approved As To Form By:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060







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 a _____ meeting held on _____, 1999, 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.

Secretary

DELIB:2095355.1\078011-00018

RESOLUTION NO. 99-21
BOARD OF PUBLIC WORKS
COUNTY OF ST. CLAIR

**RESOLUTION RECOMMENDING
BURTCHVILLE TOWNSHIP PROJECT TO COUNTY BOARD**

Minutes of a Regular meeting of the Board of Public Works of the County of St. Clair, Michigan, held in the DPW offices in the County on the 7th day of September, 1999, at 7:00 o'clock p.m., Eastern Daylight Time.

PRESENT: Members William Blumerich, Leonard Hool, Timothy LaLonde

ABSENT: Members None

The following preamble and resolution were offered by Member LaLonde and supported by Member Hool.

WHEREAS, the Township of Burtchville (the "Local Unit") has presented to this Board a request that the County of St. Clair (the "County") through the St. Clair County Department of Public Works (the "DPW") issue bonds in one or more series in the aggregate total amount not to exceed \$2,500,000, payable from contractual payments to be made by the Local Unit to the County through the DPW, said bonds to finance costs of acquiring, constructing, financing and operating necessary water supply system improvements to service the Local Unit (the "Project"); and

WHEREAS, this Board has reviewed said request and the financial and engineering aspects of the Project and has determined the same to be feasible if undertaken by the DPW and within the scope of the authority of the DPW; and

WHEREAS, it is not financially desirable for the Project to be undertaken by the Local Unit alone; and

WHEREAS, said Project is necessary for the public health, safety and welfare of the Local Unit and the inhabitants thereof; and

WHEREAS, this Board has further determined that the aforesaid Project is conducive to the health, safety and welfare of the County of St. Clair in general;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This Board does hereby recommend to the Board of Commissioners of the County that said Board of Commissioners give its approval to the aforesaid Project and authorize this Board to undertake the financing and construction of the Project, subject, however, to final approval of the Board of Commissioners upon submission to the Board of Commissioners of the documents evidencing agreement between the Local Unit and the DPW acting for and on behalf of the County of St. Clair for the acquisition, construction, financing and operation of the Project. The Local Unit will pledge its limited tax, full faith and credit to the payment of the Local Unit's contractual obligations to the County, requiring the Local Unit to levy taxes annually to the extent necessary to provide funds to meet all or part of such contractual obligations when due. This Board further recommends that the limited tax full faith and credit of the County be pledged as secondary security for the bonds, and that the County apply to the Michigan Department of Treasury for prior approval or for an order providing exception from an order of prior approval for the bonds.

2. Upon approval of the County Board of Commissioners, the DPW shall contract or cause the Local Unit to contract, subject to the approval of the DPW, for the necessary

engineering services to determine specifications and draw plans for the Project and shall enter into negotiations with the Local Unit and other parties involved for the execution of contracts covering the acquisition, construction, financing and operation of the Project.

3. The Local Unit and the DPW recommend the employment of the following consultants already working with the Local Unit or the County in connection with the completion of the Project:

As Bond Counsel: Miller, Canfield, Paddock and Stone, P.L.C.
Detroit, Michigan

As Financial Consultants: Bendzinski & Co., Inc.
Detroit, Michigan

As Engineers: BMJ Engineers & Surveyors, Inc.
Port Huron, Michigan

4. The Board hereby estimates the total cost of constructing the Project to be not more than \$2,500,000 including all engineering fees, financing costs and contingencies, such estimate is subject, however, to revision upon submission of final cost estimates or receipt of bids for the Project.

5. All agreements between this Board and the Local Unit shall be subject to final approval and ratification by the Board of Commissioners of the County.

6. This Board hereby approves the advancement of funds from the Local Unit in order to commence promptly the Project necessary for the public health and later reimbursement to the Local Unit from bond proceeds.

7. This Board authorizes each of the Director, the Chairman and the Secretary to execute and file the necessary orders, applications and supporting documents with the Michigan

Department of Treasury to obtain an order of prior approval or an order providing exception from prior approval for the bonds.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Blumerich, Hool, LaLonde

ABSENT: Members 0

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

Grant C. Kitamura
Deputy Secretary

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Public Works of the County of St. Clair, Michigan, at a Regular meeting held on September 7, 1999, 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.



Deputy Secretary

DELIB:2095363.1\078011-00018

RESOLUTION 99-31

PLEDGING FULL FAITH AND CREDIT FOR SOUTH BRANCH OF MILL CREEK INTERCOUNTY DRAIN NOTES, SERIES 1999B, IN AN AMOUNT NOT TO EXCEED \$600,000

WHEREAS, proceedings have been taken by the Drainage Board for the South Branch of Mill Creek Intercounty Drain for improvements to the South Branch of Mill Creek Intercounty Drain under the provisions of Chapter 8 of the Drain Code of 1956, as amended, pursuant to petitions filed with the St. Clair County Drain Commissioner and the Lapeer County Drain Commissioner; and

WHEREAS, in connection with the improvements requested in the petitions, the Drainage Board, pursuant to authorization in the Drain Code, has retained the services of engineers and legal counsel and has incurred other expenses related to such improvements; and

WHEREAS, litigation was filed in the St. Clair County Circuit Court challenging the proposed improvements, which litigation has been settled pursuant to agreement among the parties; and

WHEREAS, the settlement agreement provides that the Drainage Board shall proceed with interim maintenance work on the South Branch of Mill Creek Intercounty Drain in lieu of the petitioned for improvements and that the Drainage Board shall issue separate series of notes to finance such interim maintenance work and the preliminary costs incurred to date for the petitioned for improvements, and further, that the settlement agreement is contingent on obtaining a pledge of the full faith and credit of the County of Lapeer and the County of St. Clair, respectively, to the payment of such notes; and

WHEREAS, in order to pay the preliminary costs incurred to date for the petitioned for improvements, the Drainage Board proposes to authorize and provide for the issuance by the South Branch of Mill Creek Intercounty Drainage District (the "Drainage District") of notes designated "South Branch of Mill Creek Intercounty Drain Notes, Series 1999 B" (the Notes") in the aggregate principal amount of not to exceed \$600,000 and bearing interest at a rate not to exceed 8% per annum, such Notes to be secured solely by the pledge of the full faith and credit of the County of Lapeer and the County of St. Clair to the extent that such preliminary costs have been apportioned to each county; and

WHEREAS, the preliminary costs to be paid from the proceeds of the Notes have been estimated in an amount not to exceed \$600,000, of which amount 36% will be apportioned by the Drainage Board to Lapeer County and 64% will be apportioned by the Drainage Board to St. Clair County; and

WHEREAS, the Drainage Board deems it advisable and necessary to obtain from this Board a resolution consenting to the pledge of the full faith and credit of the County of St. Clair on the Notes to the extent of the percentage of the preliminary costs apportioned to the County of St. Clair; and

WHEREAS, it is in the best interest of the County of St. Clair that the Notes be sold.

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

1. That pursuant to the authorization provided in Section 434 of the Drain Code of 1956, as amended, the St. Clair County Board of Commissioners, by a 2/3 vote of its members elect, does hereby irrevocably pledge the full faith and credit of the County of St. Clair for the prompt payment of 64% of the principal of and interest on the Notes, in an amount not to exceed \$600,000 and does agree that in the event that there are not sufficient moneys legally available to the Drainage District to pay the principal of and interest on the Notes, when due, then 64% of the amount thereof shall be immediately advanced from County funds, and the County Treasurer is directed to immediately make such advancement to the extent necessary.

2. That in the event that, pursuant to said pledge of full faith and credit, the County of St. Clair advances out of County funds, all or any part of the principal of and interest due on the Notes, it shall be the duty of the County Treasurer, for and on behalf of the County of St. Clair, to take all actions and proceedings and pursue all remedies permitted or authorized by law for the reimbursement of such sums so paid.
3. The issuance and sale of the Notes is subject to permission being granted therefor by the Department of Treasury of the State of Michigan or an exception from prior approval being granted by the Department of Treasury and the County Treasurer is hereby authorized and directed to file with the Department of Treasury a Notice of Intent to Issue an Obligation with respect to the Notes and all necessary waivers in connection therewith.
4. That all resolutions and part of resolutions, insofar as the same maybe in conflict with the provisions of this resolution, be and the same are rescinded.

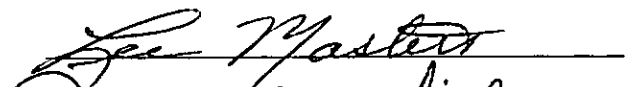

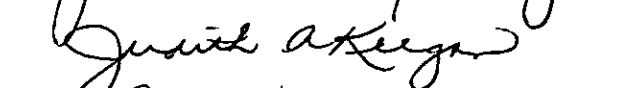

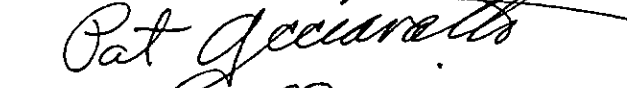

DATED: September 8, 1999

Reviewed and Approved As To Form By:



Elwood L. Brown
County Corporation Counsel
301 County Building
Port Huron, MI 48060



RESOLUTION 99-30

PLEDGING FULL FAITH AND CREDIT FOR SOUTH BRANCH OF MILL CREEK INTERCOUNTY DRAIN NOTES, SERIES 1999A IN AN AMOUNT NOT TO EXCEED \$440,000

WHEREAS, proceedings have been taken by the Drainage Board for the South Branch of Mill Creek Intercounty Drain for improvements to the South Branch of Mill Creek Intercounty Drain under the provisions of Chapter 8 of the Drain Code of 1956, as amended, pursuant to petitions filed with the St. Clair County Drain Commissioner and the Lapeer County Drain Commissioner; and

WHEREAS, in connection with the improvements requested in the petitions, the Drainage Board, pursuant to authorization in the Drain Code, has retained the services of engineers and legal counsel and has incurred other expenses related to such improvements; and

WHEREAS, litigation was filed in the St. Clair County Circuit Court challenging the proposed improvements, which litigation has been settled pursuant to agreement among the parties; and

WHEREAS, the settlement agreement provides that the Drainage Board shall proceed with interim maintenance work on the South Branch of Mill Creek Intercounty Drain in lieu of the petitioned for improvements and that the Drainage Board shall issue separate series of notes to finance such interim maintenance work and the preliminary costs incurred to date for the petitioned for improvements, and further that the settlement agreement is contingent on obtaining a pledge of full faith and credit of the County of Lapeer and the County of St. Clair, respectively, to the payments of such notes; and

WHEREAS, in order to pay the costs of the interim maintenance work, the Drainage Board has authorized and provided for the issuance by the South Branch of Mill Creek Intercounty Drainage District (the "Drainage District") of notes designated "South Branch of Mill Creek Intercounty Drain Notes, Series 1999A" (the "Notes") in the aggregate principal amount of not to exceed \$440,000 and bearing interest at a rate not to exceed 5% per annum, in anticipation of the collection of an equal amount of special assessments against property and public corporations (including the County of St. Clair) in the Counties of Lapeer and St. Clair in the Drainage District, said special assessments have been duly confirmed as provided in the Drain Code; and

WHEREAS, the estimated cost of the interim maintenance work for said Drain is \$440,000, of which cost the Drainage Board has apportioned \$278,417 to Lapeer County and \$161,583 to St. Clair County; and

WHEREAS, the Drainage Board deems it advisable and necessary to obtain from this Board a resolution consenting to the pledge of the full faith and credit of the County of St. Clair on the Notes to the extent of the special assessments assessed against property and public corporations in the County; and

WHEREAS, the maintenance work for said Drain is necessary to protect and preserve the public health and therefore it is in the best interest of the County of St. Clair that the Notes be sold.

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

1. That pursuant to the authorization provided in Section 434 of the Drain Code of 1956, as amended, the St. Clair County Board of Commissioners, by a 2/3 vote of its members elect, does hereby irrevocably pledge the full faith and credit of the County of St. Clair for the prompt payment of the principal of and interest on the Notes to the extent of the special assessments assessed against property and public corporations in the county, in an amount not to exceed \$440,000 and does agree that in the event that any property owners or public corporations in the County shall fail or neglect to account to the County Treasurer of the County of St. Clair for the amount of any such special assessment installment and interest (in anticipation of which the Notes are issued), when due, then the amount thereof shall be immediately advanced from County funds, and the County Treasurer is directed to immediately make such advancement to the extent necessary.

2. That in the event that, pursuant to said pledge of full faith and credit, the County of St. Clair advances out of County funds, all or any part of said installment and interest, it shall be the duty of the County Treasurer, for and on behalf of the County of St. Clair, to take all actions and proceedings and pursue all remedies permitted or authorized by law for the reimbursement of such sums so paid.

3. The issuance and sale of the Notes is subject to permission being granted therefor by the Department of Treasury of the State of Michigan or an exception from prior approval being granted by the Department of Treasury and the County Treasurer is hereby authorized and directed to file with the Department of Treasury a Notice of Intent to Issue an Obligation with respect to the Notes and all necessary waivers in connection therewith.

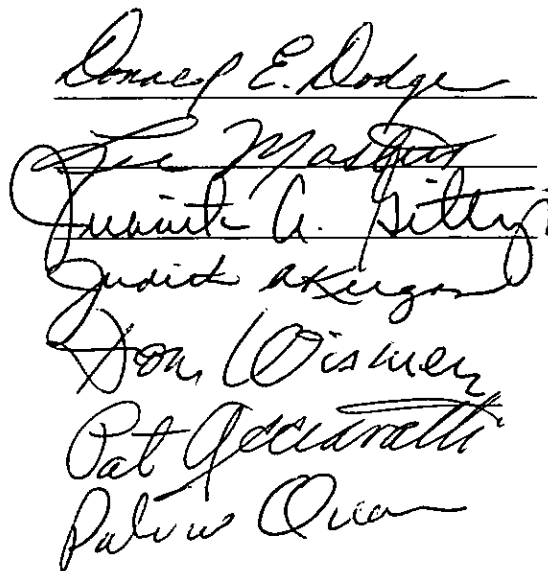
4. That all Resolutions and part of resolutions, insofar as the same may be in conflict with the provisions of this resolution, be and the same hereby are rescinded.

DATED: September 8, 1999

Reviewed and Approved As To Form By:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060



**RESOLUTION AUTHORIZING
ST. CLAIR COUNTY SEWAGE DISPOSAL SYSTEM NO. 1 BONDS
(CITY OF ALGONAC, CLAY AND IRA TOWNSHIPS)
(GENERAL OBLIGATION LIMITED TAX)**

Minutes of a regular meeting of the Board of Commissioners of the County of St. Clair, Michigan (the "County") held in said County on the 8th day of September, 1999, at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Commissioners ACCIAVATTI, MASTERS, KEEGAN, WISMER, QUAIN, GITTINGS, AND DODGE

ABSENT: Commissioners None

The following preamble and resolution were offered by Commissioner MASTERS and supported by Commissioner DODGE:

WHEREAS, the County of St. Clair, State of Michigan (the "County"), acting by and through its Board of Commissioners and pursuant to the authority conferred upon it by Act 185, Public Acts of Michigan, 1957, as amended (the "Act"), did, by resolution duly adopted by at least a two-thirds (2/3) vote of the members-elect of said Board of Commissioners, establish a Department of Public Works in and for the County for the administration of the powers conferred upon the County by the Act; and

WHEREAS, pursuant to the authorization of Section 2 of the Act, a Board of Public Works has been appointed and is functioning as the governing body of said Department of Public Works; and

WHEREAS, the County pursuant to the Act is establishing the St. Clair County Sewage Disposal System No. I (City of Algonac, Clay and Ira Townships); and

WHEREAS, the County, by and through the Board of Public Works (the "Board" or the "Board of Public Works"), and the City of Algonac and the Townships of Clay and Ira, each of the County of St. Clair, State of Michigan (the "Local Units"), have entered into a contract (the "Contract") for the acquisition, construction, financing and operating of Sewage Disposal System improvements including outfall improvements and new pump stations (the "Project"), which Contract is made a part of this resolution by this reference thereto; and

WHEREAS, the Contract has been duly approved by resolutions of the Board of Public Works and the Local Unit legislative body and has been fully executed by the Local Unit; and

WHEREAS, the Contract must be duly approved by resolution of the County Board of Commissioners and then executed by the Board of Public Works; and

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

WHEREAS, plans, specifications and estimates of cost of each aspect of the Project have been prepared by McNamee, Porter and Seeley, Inc., engineers of Ann Arbor, Michigan and Hubbell, Roth and Clark, engineers of Bloomfield Hills, Michigan (collectively the "Engineers"), and have been duly approved by the Board of Public Works; and

WHEREAS, under the provisions of the Contract, the Local Unit has obligated itself to pay the cost of the Project to be financed by the issuance of bonds of the County by paying the installments, plus interest, as specified in the Contract (the "Contractual Payments"), and has further obligated itself to collect sufficient moneys annually for the purpose of meeting the Contractual Payments, subject to charter, statutory and constitutional limitations; and

WHEREAS, the County now proposes to issue its bonds, as authorized by the Act, in anticipation of and secured primarily by the Contractual Payments that the Local Unit has in the Contract obligated itself to provide in such amounts as may be necessary to pay the cost of constructing the Project, and all things necessary to the authorization and issuance of said series of bonds under the Act having been done, and the County being now empowered and desirous of authorizing the issuance of said bonds; and

WHEREAS, the Board of Public Works has approved this resolution and recommended its adoption by this Board of Commissioners;

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

1. The preliminary plans, specifications and estimates of cost for the Project as prepared by the Engineers are hereby accepted and approved, and it is hereby determined to be advisable and necessary for the public health of the County to acquire, construct and complete the Project as provided in said plans and specifications.

2. The Contract is hereby ratified, confirmed and approved. The "St. Clair County Sewage Disposal System No. I (City of Algonac, Clay and Ira Townships) is hereby created. The County Clerk is authorized and directed to transmit such approval to the Board of Public Works. The Chairman and Secretary of the Board of Public Works are authorized and directed to execute the Contract for and on behalf of the County Subject to approval and adoption thereof by the Board of Public Works.

3. The total estimated cost of acquiring and constructing the Project, including payment of incidental expenses as specified in Section 5 of this resolution, in the amount not to exceed \$3,000,000 is hereby approved and confirmed.

4. The estimated period of usefulness of the Project is determined to be not less than thirty (30) years.

5. For the purpose of defraying part of the costs of the Project, including payment of engineering, legal and financial expenses, there be borrowed the sum of not to exceed Three Million Dollars (\$3,000,000), and that in evidence thereof there be issued the bonds of the

County in an equivalent aggregate principal amount, which bonds are sometimes hereinafter referred to in this resolution as the "bonds."

6. The bonds shall be designated ST. CLAIR COUNTY SEWAGE DISPOSAL SYSTEM NO. 1 BONDS (CITY OF ALGONAC, CLAY AND IRA TOWNSHIPS) (GENERAL OBLIGATION LIMITED TAX), the principal of and interest thereon to be payable primarily out of the Contractual Payments required to be paid by the Local Units pursuant to the Contract. Said bonds shall be registered as to principal and interest of the denomination of \$5,000 or multiples of \$5,000 up to the amount of a single maturity, numbered consecutively in order of authentication from 1 upwards, dated as of November 1, 1999, callable prior to maturity as hereinafter provided, and shall be payable annually on April 1 as follows:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
2000	\$15,000	2007	\$295,000
2001	40,000	2008	310,000
2002	50,000	2009	325,000
2003	90,000	2010	340,000
2004	250,000	2011	360,000
2005	265,000	2012	380,000
2006	280,000		

The bonds bear interest at a rate or rates determined on sale thereof, not exceeding seven percent (7%) per annum, payable on April 1, 2000, and semiannually thereafter, by check drawn on the Paying Agent (hereafter defined) for the bonds and mailed to the registered owner at the registered address as shown on the registration books of the County maintained by the Paying Agent. Interest shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The date of determination of registered owner for purposes of payment of interest as provided in this Section may be changed by the County to conform to market practice in the future. The principal of the bonds shall be payable at a bank or trust company qualified to act as paying agent, transfer agent and bond registrar and designated by the Board of Public Works in the notice of sale of the Bonds as published (the "Paying Agent"), as paying agent and the Board of Public Works and the County Treasurer each is hereby authorized to enter into all required contractual arrangements with the Paying Agent. In the event the bonds are not held in book-entry only form as described herein, then the Paying Agent shall also act as bond registrar and transfer agent. The County, through the Board of Public Works, may designate another qualified institution to serve as paying agent, transfer agent and bond register at any time by notice mailed to registered owners of the Bonds not less than sixty (60) days prior to an interest payment date.

The bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York ("DTC"). So long as the bonds are in the book-entry-only form, the Paying Agent shall comply with the terms of the Letter of Representations to be entered into among the County, the Paying Agent and DTC, which provisions shall govern registration, notices and payment, among other things, and which provisions are incorporated

herein with the same effect as if fully set forth herein. The Chairman and the Secretary of the Board and the County Treasurer each is hereby authorized and directed to enter into the Letter of Representations with DTC in such form as determined by the Chairman or the Secretary of the Board or the County Treasurer, in consultation with bond counsel, to be necessary and appropriate. The Paying Agent is hereby authorized and directed to also enter into the Letter of Representations with DTC as agent for the County. In the event the County determines that the continuation of the system of book-entry-only transfer through DTC (or a successor securities depository) is not in the best interest of the DTC participants, beneficial owners of the Bonds, or the County, the County will notify the Paying Agent, whereupon the Paying Agent will notify DTC of the availability through DTC of the bond certificates. In such event, the County shall issue and the Paying Agent as transfer agent shall transfer and exchange bonds as requested by DTC of like principal amount, series and maturity, in authorized denominations to be identifiable beneficial owners in replacement of the beneficial interest of such beneficial owners in the bonds, as provided herein.

7. The Chairman of the Board of Commissioners and the County Clerk are hereby authorized and directed to execute said bonds by means of their facsimile signatures when issued and sold for and on behalf of the County and to cause to be printed thereon a facsimile of the seal of the County. No bond of this series shall be valid until authenticated by an authorized officer of the Paying Agent. The Bonds shall be delivered to the Paying Agent for authentication and shall then be delivered to the purchaser in accordance with instructions from the Treasurer of the County or the Secretary of the Board upon payment of the purchase price for the bonds in accordance with the bid therefor when accepted. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Paying Agent for safekeeping.

In the event the bonds are not held in book-entry-only form, then any bond may be transferred upon the books required to be kept pursuant to this Section by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of the bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent as transfer agent. Whenever any bond or bonds shall be surrendered for transfer, the Paying Agent as transfer agent shall authenticate and deliver a new bond or bonds, for like aggregate principal amount. The Paying Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

8. Said bonds and the interest thereon shall be payable primarily from the Contractual Payments received by the Board on behalf of the County, for the payment of which the Local Units have in the Contract pledged its full faith and credit pursuant to the provisions of the Act. Pursuant to the provisions of Section 6, Article IX of the Michigan Constitution of 1963, the Local Units have covenanted and agreed to levy taxes annually to the extent necessary to provide the funds to meet its Contractual Payments when due in anticipation of which the bonds are issued, which taxes shall be subject to charter, statutory and constitutional limitations. All of such Contractual Payments are hereby pledged solely and only for the payment of principal of and interest on the bonds.

9. Pursuant to the authorization provided in the Act, the full faith and credit of the County is hereby pledged for the prompt payment of the principal of and interest on the bonds as the same shall become due. If for any reason there are not sufficient funds on hand from the Contractual Payments to pay the principal of and interest on the bonds when due, upon written notification by the Board to the County Treasurer of the amount of such deficiency, the County Treasurer shall promptly deposit into the debt retirement fund for said bonds the amount of such deficiency out of general funds of the County. If it becomes necessary for the County to so advance any such moneys, it shall be entitled to reimbursement from any surplus from time to time existing in the fund which said principal and interest are primarily liable, or from any other legally available source. The County recognizes and covenants that its full faith and credit pledge hereunder is a first budget obligation, and, to the extent necessary to provide funds to meet such pledge herein provided, it is obligated to levy ad valorem taxes against the taxable property in the County, which taxes, however, shall be subject to statutory and constitutional limitations.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional redemption, the principal of, premium, if any, and interest on the bonds, shall be deposited in trust, this resolution shall be defeased and the owners of the bonds shall have no further rights under this resolution except to receive payment of the principal of, premium, if any, and interest on the bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange bonds as provided in this resolution.

10. It shall be the duty of the Board or the County Treasurer, after the adoption of this resolution and the sale of the bonds herein authorized, to open a special depository account with a bank or trust company to be designated by the Board or the County to be designated DEBT RETIREMENT FUND - ST. CLAIR COUNTY SEWAGE DISPOSAL SYSTEM NO. 1 BONDS (CITY OF ALGONAC, CLAY AND IRA TOWNSHIPS), sometimes referred to as the "Debt Retirement Fund," into which account shall be deposited any premium and accrued interest received upon delivery of the bonds and all Contractual Payments as received, and into which account any advances made by the County pursuant to Section 9 of this resolution shall be deposited. The moneys from time to time on hand in the Debt Retirement Fund shall be used solely and only for the payment of the principal of and interest on the bonds, or, to the extent of any surplus, to reimburse the County for any advances made pursuant to Section 9 hereof. The County shall have the right to invest moneys in the Debt Retirement Account as provided in the Contract, which investments may be in obligations other than those of the depository bank or trust company.

11. The operation, maintenance and administration of the System and the acquisition and construction of the Project shall be under the overall jurisdiction and control of the Board as agency of the County, and the provisions in the Contract relative to such operation, maintenance and administration are hereby recognized, approved and confirmed.

12. Said bonds shall be in substantially the following form:

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

NO. ____

UNITED STATES OF AMERICA
STATE OF MICHIGAN

COUNTY OF ST. CLAIR

ST. CLAIR COUNTY SEWAGE DISPOSAL SYSTEM NO. I BOND
(CITY OF ALGONAC, CLAY AND IRA TOWNSHIPS)
(GENERAL OBLIGATION LIMITED TAX)

<u>Interest</u> <u>Rate</u>	<u>Date of</u> <u>Maturity</u>	<u>Date of</u> <u>Original Issue</u>	<u>CUSIP</u>
	April 1, ____	November 1, 1999	

Registered Owner:

Principal Amount:

Dollars

The County of St. Clair, State of Michigan (the "Issuer"), for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on April 1, 2000, and semiannually thereafter. Principal of this bond is payable at the corporate trust office of _____, _____, Michigan, or such other paying agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Paying Agent"). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the payment date as shown on the registration books of the Issuer maintained by the Paying Agent, by check or draft mailed to the registered owner at the registered address.

The bonds of this issue are payable primarily from the proceeds of contractual payments to be paid by the City of Algonac and the Townships of Clay and Ira, each of the County of St. Clair, State of Michigan (the "Local Units"), to the Board of Public Works, acting for and on behalf of the Issuer, pursuant to a certain contract dated September 8, 1999 (the "Contract"), between the Issuer and the Local Units, whereby said Board, on behalf of the Issuer, is to construct sewage disposal system improvements to service the Local Units, said system designated as "St. Clair County Sewage Disposal System No. I (City of Algonac, Clay and Ira Townships)." By the provisions of the Contract and pursuant to the authorization provided by

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

law, the Local Units have pledged its full faith and credit for the payment of its contractual payments. The Issuer has irrevocably pledged to the payment of this issue of bonds the total contractual payments under the Contract, which said total payments are established in the amount required to pay the principal of and interest on the bonds of this issue when due. As additional security for the payment of the bonds of this issue, the Issuer, pursuant to the provisions of Act 185, Public Acts of Michigan, 1957, as amended, and at least a three-fifths (3/5) vote of the members-elect of its Board of Commissioners, has pledged its full faith and credit for the prompt payment of the principal of and interest thereon. The full faith and credit pledges of the Local Units and the Issuer are limited tax general obligations of each severally, and each is required to pay its respective debt service commitments on the bonds as a first budget obligation from its general funds, including the collection of any ad valorem taxes which each is authorized to levy. However, the ability of each to levy such taxes is subject to applicable constitutional, statutory and charter limitations.

This bond is one of a total authorized issue of bonds of even Date of Original Issue aggregating the principal sum of \$_____, issued pursuant to a resolution duly adopted by the Board of Commissioners of the Issuer on September 8, 1999 (the "Resolution"), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 185, Public Acts of Michigan, 1957, as amended, for the purpose of paying costs of constructing sewage disposal system improvements to service the Local Units. For a complete statement of the funds from which and the conditions under which this bond is payable, and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Resolution.

Bonds of this issue maturing in the years 2000 to 2007, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 of this issue maturing in the years 2008 to 2012, inclusive, shall be subject to redemption prior to maturity, at the option of the Issuer, in such order as the Issuer shall determine, on any interest payment date on or after April 1, 2007, at par and accrued interest to the date fixed for redemption, plus a premium expressed as a percentage of par, as follows:

1% of the par value of each bond or portion thereof called for redemption on or after April 1, 2007, but prior to April 1, 2008; and

½% of the par value of each bond or portion thereof called for redemption on or after April 1, 2008, but prior to April 1, 2009.

No premium shall be paid on bonds or portions thereof called for redemption on or after April 1, 2009.

In case less than the full amount of an outstanding bond is called for redemption, the Paying Agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owners of bonds or portions thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. Bonds so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the Paying Agent to redeem said bonds.

In the event this bond is not held in book-entry-only form, then this bond is transferable only upon the books of the Issuer kept for that purpose at the office of the Paying Agent by the registered owner hereof in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Paying Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law to be done precedent to and in the issuance of this bond, and the series of which this is one, have been done and performed in regular and due time and form as required by law.

This bond is not valid or obligatory for any purpose until the Paying Agent's Certificate of Authentication on this bond has been executed by the Paying Agent.

IN WITNESS WHEREOF, the County of St. Clair, State of Michigan, by its Board of Commissioners, has caused this bond to be signed in the name of said County by the facsimile signature of the Chairman of the Board of Commissioners and to be countersigned by the facsimile signature of the County Clerk and a facsimile of the corporate seal of said County to be printed hereon, all as of the Date of Original Issue.

COUNTY OF ST. CLAIR

By _____ /facsimile/
Chairman, Board of Commissioners

[SEAL]

/facsimile/
County Clerk

[FORM OF PAYING AGENT'S
CERTIFICATE OF AUTHENTICATION]

Certificate of Authentication

This bond is one of the bonds described in the within-mentioned Resolution.

Paying Agent

By _____
Authorized Signature

Date of Registration: _____

13. Nothing contained in this resolution or the Contract shall be construed to prevent the County from issuing additional bonds under the provisions of the Act for any of the purposes authorized by the Act, but any such bonds shall in no way have any lien on or be payable out of the Contractual Payments pledged to the payment of the bonds of this authorized issue, except such additional bonds as may be necessary may be issued to complete the Project pursuant to the authorization provided in Section 16 of the Contract.

14. The proceeds of sale of the bonds shall be deposited in a special depository account in a bank to be designated by the Board or the County, said account to be designated ST. CLAIR COUNTY SEWAGE DISPOSAL SYSTEM NO. I BONDS (CITY OF ALGONAC, CLAY AND IRA TOWNSHIPS), 1999 CONSTRUCTION FUND (hereinafter referred to as the "construction fund"). The moneys from time to time in such fund shall be used solely and only to pay costs of acquiring and constructing the Project. Any premium and accrued interest paid at the time of delivery of the bonds shall be deposited into the Debt Retirement Fund established under the provisions of Section 10 of this resolution.

15. The provisions of this resolution, together with the Contract, shall constitute a contract between the County and the owner or owners of the bonds from time to time, and after the issuance of such bonds, no change, variation or alteration of the provisions of this resolution and the Contract may be made which would lessen the security for the bonds. The provisions of this resolution and the Contract shall be enforceable by appropriate proceedings taken by such owner either at law or in equity.

16. The County covenants and agrees with the successive owners of the bonds that so long as any of the bonds remain outstanding and unpaid as to either principal or interest:

(a) The County and the Board, as agency of the County, will punctually perform all of their obligations and duties under this resolution and the Contract, including all collection, segregation and application of the Contractual Payments in the manner required by the provisions of this resolution.

(b) The County and the Board, as the agency of the County, will apply and use the proceeds of the sale of the bonds for the purposes and in the manner required by the Contract and this resolution. The County will maintain and keep proper books of record and account relative to the application of funds for the construction of the Project and the Contractual Payments received pursuant to the Contract or monies advanced by the County. Not later than three (3) months after the end of each year, the Board shall cause to be prepared a statement, in reasonable detail, sworn to by its chief accounting officer, showing the application of the proceeds of the sale of the bonds, the cash receipts from the Contractual Payments or monies advanced by the County during such year, and the application thereof, and such other information as may be necessary to enable any taxpayer or any holder or owner of the bonds, or anyone acting in their behalf, to be fully informed as to all matters pertaining to the construction of the Project and application of funds therefor or for the payment of bonds during such year. A certified copy of said

statement shall be filed with the County Clerk and the Clerk of the Local Unit and a copy shall also be sent to the manager or managers of the account purchasing the bonds.

(c) The County will take or abstain from taking all actions required by the federal Internal Revenue Code and regulations thereunder as may be necessary to retain for the interest on the bonds the exemption from direct federal income taxation, including specifically all actions and abstention from actions as required by the Non-Arbitrage and Tax Compliance Certificate and related documents furnished in connection with the bonds.

17. The Board is hereby designated, for and on behalf of the County, to (a) prepare a form of notice of sale, fix a date of sale, conduct the sale, and accept the best bid received at such sale; (b) publish such notice of sale in an authorized publication, at least seven (7) full days prior to the date fixed for sale; and (c) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the bonds, including, if appropriate, making continuing disclosure undertakings, purchase of the credit enhancements, and reducing the amount of bonds sold and/or delivered if the Board determines that the full amount thereof is not necessary to complete the Project.

18. The bonds are subject to redemption prior to maturity in the manner, at the times and prices and in the manner set forth in this resolution.

Unless waived by any registered owner of bonds to be redeemed, official notice of redemption shall be given by the Paying Agent on behalf of the County. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers, and in the case of partial redemption, the called amounts of each certificate; the redemption date; the redemption price or premium; the place where bonds called for redemption are to be surrendered for payment; and that interest on bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Paying Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

19. The Board of Public Works is hereby designated, for and on behalf of the County, to notify the Michigan Department of Treasury of the County's intent to issue the bonds described herein, to pay the related fee and to request an order providing an exception for the bonds from prior approval by the Department of Treasury, or in the alternative secure Treasury approval of the bonds by means of a full application.

20. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are repealed.

21. This resolution shall become effective immediately upon its passage.

AYES:5 Members Dodge, Gittings, Keegan, Masters, and Wismer

NAYS:1 Members Quain

ABSTAINED: 1 Chairperson Acciavatti due to a possible conflict

RESOLUTION DECLARED ADOPTED.

County Clerk

DATED: September 8, 1999

REVIEWED AND APPROVED AS TO FORM BY:

Elwood L. Brown

ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

Daniel E. Dodge
Lee Masters
Frederic C. Gittings

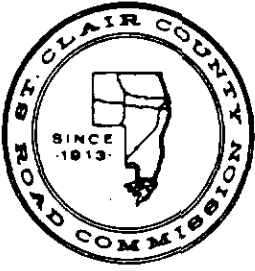
MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

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, State of Michigan, at a regular meeting held on September 8, 1999, 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.

County Clerk

DELIB:2086680.1\078011-00021

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.



COUNTY OF ST. CLAIR


ROAD COMMISSION • PUBLIC WORKS

21 Airport Drive • St. Clair, Michigan 48079-1404

Phone: (810) 364-5720

Fax: (810) 364-9050

MEMORANDUM

TO: Troy Feltman, County Administrator
FROM:  Don Maronde, Director
DATE: August 31, 1999
SUBJECT: SD I - Wastewater Treatment Plant
Outfall Extension/Pump Station Replacements

Attached are the resolutions from the various municipalities and the DPW recommending that the County Board of Commissioners authorize the sale of approximately \$3 Million in bonds for the extension of the outfall and replacement of Pump Stations 1 & 2.

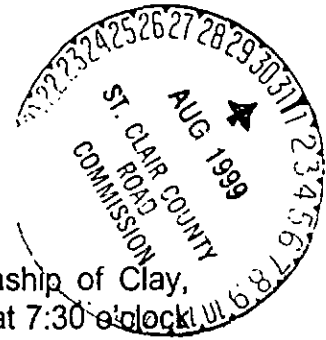
A sample resolution needing county approval is also attached as reference.

Please place this on the agenda for the September 8th County Board meeting in order that we can proceed in a timely manner.

If you have any questions, please feel free to contact me.

RESOLUTION APPROVING DPW CONTRACT

**Township of Clay
County of St. Clair, State of Michigan**



Minutes of a regular meeting of the Township Board of the Township of Clay, County of St. Clair, State of Michigan, held on the 16th day of August 1999 at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Supervisor Jon Manos, Clerk Michael Pellerito, Treasurer Connie Turner, Trustee Pat Sharrow, Trustee Dr. L. Kasperowicz, Trustee Joanne Shirkey, Trustee Bruce Wenk.

ABSENT: None.

The following preamble and resolution offered by Pellerito, supported by Shirkey:

WHEREAS, the Township of Clay, County of St. Clair, State of Michigan (the "Local Unit"), has requested the Board of Public Works of the County of St. Clair (the "Board"), acting on behalf of the County of St. Clair (the "County"), to take the necessary steps under the provisions of Act 185, Public Acts of Michigan, 1957, as amended, to finance costs of acquiring, constructing and financing sewage disposal improvements and expansions (the "Project") to service the Local Unit and the City of Algonac (the "City") and the Township of Ira (the "Township"); and

WHEREAS, the costs of the Project are presently estimated to be not more than \$3,000,000; and

WHEREAS, the Board, the Local Unit and the City and the Township have negotiated a contract (the "Contract") providing for financing the costs for the Project through the issuance of bonds (the "Bonds"), by the terms of which Contract the Local Unit and the City and the Township are obligated to pay the portion of the cost of the Project to be financed to the County in installments as therein provided, a copy of which Contract is attached to this resolution and incorporated herein by reference; and

pursuant to this resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in (d) above.

RESOLUTION APPROVING DPW CONTRACT

Page 2

4. The Contract shall become binding and effective upon the approval thereof by resolution of the Board of Commissioners of the County and execution thereof for the County by the Board and upon the approval thereof by resolution of the City Council of the City and the Township Board of the Township and execution thereof by the City's and Township's designated officials.

5. The Local Unit will take or abstain from taking all actions required by federal Internal Revenue Code of 1986, as amended, and the regulations thereunder, including but not limited to actions relating to any required rebate of arbitrage earnings and the expenditures and investment of bond proceeds and moneys deemed to be bond proceeds.

6. The Supervisor, Township Clerk and Treasurer are each authorized to notify the Department of Treasury of the Local Unit's intent to issue the Bonds described in the preamble to this resolution, to pay the required filing fee and to request an order providing an exception for the bonds from prior approval by the Department of Treasury and to apply for any related waivers, or to request prior approval of the bonds if the exception from prior approval is not available.

7. The Local Unit 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) As of the date hereof, the Local Unit reasonably expects to reimburse the Local Unit for the expenditures described in (b) below with proceeds of debt to be incurred by the local Unit.

(b) The expenditures described in this paragraph (b) are for the costs of acquiring and constructing the Project which were or will be paid subsequent to sixty (60) days prior to the date hereof.

(c) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$3,000,000.

(d) A reimbursement allocation of the expenditures described in (b) above with the proceeds of the borrowing described herein 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 Township's use of the proceeds of the debt to be issued for the Project to reimburse the Township for a capital expenditure made pursuant to this resolution.

(e) The expenditures described in (b) above are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c) under general Federal income tax principles (as determined at the time the expenditure is paid).

(f) No proceeds of the borrowing paid to the Township in reimbursement

RESOLUTION APPROVING DPW CONTRACT

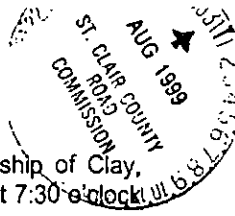
Page 3

- (g) Expenditures for the Project to be reimbursed for the proceeds of the borrowing for purposes of this resolution do not include costs for the issuance of the debt or an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the borrowing, or preliminary expenditure not exceeding twenty (20) percent of the issue price of the borrowing, within the meaning of Treas. Reg. § 1.150-2(f) (such preliminary expenditures include architectural, engineering, surveying, soil testing and similar costs incurred prior to construction of the Project, which items can be reimbursed from bond proceeds regardless of the adoption of this resolution, but do not include land acquisition, site preparation, and similar costs incident to commencement of construction, which must fall within the parameters of this resolution to be reimbursed from bond proceeds).

8. Either the Township Supervisor or the Township Treasurer of the Township is hereby directed to execute and deliver, prior to delivery of the Bonds, a written Continuing Disclosure Undertaking in order to enable the purchasers of the Bonds to comply with the requirements of Rule 15c2-12. Pursuant to the terms of the Continuing Disclosure Undertaking, the Township will provide, or cause to be provided, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, (ii) timely notice of the occurrence of certain material events with respect to the Bonds, and (iii) timely notice of a failure by the Township to provide the required annual financial information on or before the date required in the Continuing Disclosure Agreement. The Continuing Disclosure Undertaking shall be in the form to be determined by the Township Supervisor or the Township Treasurer in consultation with bond counsel and the financial advisor.

9. The law firm of Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield") has represented the Local Unit as bond counsel in the past and has worked with the Local Unit in connection with the Project. The Local Unit consents to the representation of the County by Miller Canfield in connection with the Project and its financing and acknowledges that Miller Canfield is not representing the Local Unit in connection with the

Township of Clay
County of St. Clair, State of Michigan



Minutes of a regular meeting of the Township Board of the Township of Clay, County of St. Clair, State of Michigan, held on the 16th day of August 1999 at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Supervisor Jon Manos, Clerk Michael Pellerito, Treasurer Connie Turner, Trustee Pat Sharrow, Trustee Dr. L. Kasperowicz, Trustee Joanne Shirkey, Trustee Bruce Wenk.

ABSENT: None.

The following preamble and resolution offered by Pellerito, supported by Shirkey:

WHEREAS, the Township of Clay, County of St. Clair, State of Michigan (the "Local Unit"), has requested the Board of Public Works of the County of St. Clair (the "Board"), acting on behalf of the County of St. Clair (the "County"), to take the necessary steps under the provisions of Act 185, Public Acts of Michigan, 1957, as amended, to finance costs of acquiring, constructing and financing sewage disposal improvements and expansions (the "Project") to service the Local Unit and the City of Algonac (the "City") and the Township of Ira (the "Township"); and

WHEREAS, the costs of the Project are presently estimated to be not more than \$3,000,000; and

WHEREAS, the Board, the Local Unit and the City and the Township have negotiated a contract (the "Contract") providing for financing the costs for the Project through the issuance of bonds (the "Bonds"), by the terms of which Contract the Local Unit and the City and the Township are obligated to pay the portion of the cost of the Project to be financed to the County in installments as therein provided, a copy of which Contract is attached to this resolution and incorporated herein by reference; and

WHEREAS, the Project as described in the Contract is immediately necessary to protect and preserve the public health; and

WHEREAS, the Local Unit intends, at this time to state its intentions to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the Local Unit for the Project prior to issuance of the Bonds; and

WHEREAS, prior to issuance of the above bonds the County and the Local Unit and the City and the Township must either receive prior approval of such obligation from the Michigan Department of Treasury or receive an order of exception from prior approval; and

WHEREAS, the Local Unit intends, at this time to state its intentions to approve its disclosure obligations in connection with the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Contract among the County, by and through the Board, the Local Unit and the City and the Township providing for the acquisition, construction and financing of the Project is hereby approved, and the Supervisor and the Clerk of the Local Units are authorized and directed to execute the Contract for and on behalf of the Local Unit.
2. The total estimated cost of the Project as submitted by the consulting engineers in the amount of not less than \$3,000,000 is hereby approved.
3. The Local Unit does hereby ratify and confirm its covenant in the Contract to levy ad valorem taxes against all taxable property in the Local Unit to the extent

by resolution of the Board of Commissioners of the County and execution thereof for the County by the Board and upon the approval thereof by resolution of the City Council of the City and the Township Board of the Township and execution thereof by the City's and Township's designated officials.

5. The Local Unit will take or abstain from taking all actions required by federal Internal Revenue Code of 1986, as amended, and the regulations thereunder, including but not limited to actions relating to any required rebate of arbitrage earnings and the expenditures and investment of bond proceeds and moneys deemed to be bond proceeds.

6. The Supervisor, Township Clerk and Treasurer are each authorized to notify the Department of Treasury of the Local Unit's intent to issue the Bonds described in the preamble to this resolution, to pay the required filing fee and to request an order providing an exception for the bonds from prior approval by the Department of Treasury and to apply for any related waivers, or to request prior approval of the bonds if the exception from prior approval is not available.

7. The Local Unit 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) As of the date hereof, the Local Unit reasonably expects to reimburse the Local Unit for the expenditures described in (b) below with proceeds of debt to be incurred by the local Unit.
- (b) The expenditures described in this paragraph (b) are for the costs of acquiring and constructing the Project which were or will be paid subsequent to sixty (60) days prior to the date hereof.
- (c) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$3,000,000.
- (d) A reimbursement allocation of the expenditures described in (b) above with the proceeds of the borrowing described herein 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 Township's use of the proceeds of the debt to be issued for the Project to reimburse the Township for a capital expenditure made pursuant to this resolution.
- (e) The expenditures described in (b) above are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c) under general Federal income tax principles (as determined at the time the expenditure is paid).
- (f) No proceeds of the borrowing paid to the Township in reimbursement pursuant to this resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in (d) above.

- (g) Expenditures for the Project to be reimbursed for the proceeds of the borrowing for purposes of this resolution do not include costs for the issuance of the debt or an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the borrowing, or preliminary expenditure not exceeding twenty (20) percent of the issue price of the borrowing, within the meaning of Treas. Reg. § 1.150-2(f) (such preliminary expenditures include architectural, engineering, surveying, soil testing and similar costs incurred prior to construction of the Project, which items can be reimbursed from bond proceeds regardless of the adoption of this resolution, but do not include land acquisition, site preparation, and similar costs incident to commencement of construction, which must fall within the parameters of this resolution to be reimbursed from bond proceeds).

8. Either the Township Supervisor or the Township Treasurer of the Township is hereby directed to execute and deliver, prior to delivery of the Bonds, a written Continuing Disclosure Undertaking in order to enable the purchasers of the Bonds to comply with the requirements of Rule 15c2-12. Pursuant to the terms of the Continuing Disclosure Undertaking, the Township will provide, or cause to be provided, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, (ii) timely notice of the occurrence of certain material events with respect to the Bonds, and (iii) timely notice of a failure by the Township to provide the required annual financial information on or before the date required in the Continuing Disclosure Agreement. The Continuing Disclosure Undertaking shall be in the form to be determined by the Township Supervisor or the Township Treasurer in consultation with bond counsel and the financial advisor.

9. The law firm of Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield") has represented the Local Unit as bond counsel in the past and has worked with the Local Unit in connection with the Project. The Local Unit consents to the representation of the County by Miller Canfield in connection with the Project and its financing and acknowledges that Miller Canfield is not representing the Local Unit in connection with the Project and its financing.

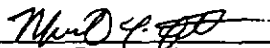
10. All resolutions and parts of resolutions insofar as the same conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Sharrow, Dr. Kasperowicz, Turner, Manos, Pellerito, Shirkey, Wenk.

NAYS: None.

ABSENT: None.

RESOLUTION DECLARED ADOPTED.


Michael P. Pellerito, Township Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Township Board of the Township of Clay, County of St. Clair, State of Michigan, at a regular meeting held on August 16, 1999, 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.

RESOLUTION APPROVING ST. CLAIR COUNTY BPW CONTRACT

Township of Ira
County of St. Clair, State of Michigan

Minutes of a regular meeting of the Township Board of the Township of Ira, County of St. Clair, State of Michigan, held on the 16th day of August 1999 at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: John Jones, Crystal Sovey, Tom Jeannette.

ABSENT: Peter Vernier, Jim Endres.

The following preamble and resolution offered by Tom Jeannette and supported by Crystal Sovey.

WHEREAS, the Township of Ira, County of St. Clair, State of Michigan (the "Local Unit"), has requested the Board of Public Works of the County of St. Clair (the "Board"), acting on behalf of the County of St. Clair (the "County"), to take the necessary steps under the provisions of Act 185, Public Acts of Michigan, 1957, as amended, to finance costs of acquiring, constructing and financing sewage disposal improvements and expansions (the "Project") to service the Local Unit and the City of Algonac (the "City") and the Townships of Clay and Ira (the "Township"); and

WHEREAS, the costs of the Project are presently estimated to be not more than \$3,000,000; and

WHEREAS, the Board, the Local Unit and the City and the Township have negotiated a contract (the "Contract") providing for financing the costs for the Project through the issuance of bonds (the "Bonds"), by the terms of which Contract the Local Unit and the City and the Township are obligated to pay the portion of the cost of the Project to be financed to the County in installments as therein provided, a copy of which Contract is attached to this resolution and incorporated herein by reference; and

WHEREAS, the Project as described in the Contract is immediately necessary to protect and preserve the public health; and

WHEREAS, the Local Unit intends, at this time to state its intentions to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the Local Unit for the Project prior to issuance of the Bonds; and

WHEREAS, prior to issuance of the above bonds the County and the Local Unit and the City and the Township must either receive prior approval of such obligation from the Michigan Department of Treasury or receive an order of exception from prior approval; and

WHEREAS, the Local Unit intends, at this time to state its intentions to approve its disclosure obligations in connection with the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Contract among the County, by and through the Board, the Local Unit and the City and the Township providing for the acquisition, construction and financing of the Project is hereby approved, and the Supervisor and the Clerk of the Local Unit are authorized and directed to execute the Contract for and on behalf of the Local Unit.

2. The total estimated cost of the Project as submitted by the consulting engineers in the amount of not less than \$3,000,000 is hereby approved.

3. The Local Unit does hereby ratify and confirm its covenant in the Contract to levy ad valorem taxes against all taxable property in the Local Unit to the extent necessary to meet the obligations of the Local Unit thereunder and does further indicate its purpose and intent to make such a levy as necessary to meet such obligations, such levy, if necessary, to be within statutory and constitutional limitations.

4. The Contract shall become binding and effective upon the approval thereof by resolution of the Board of Commissioners of the County and execution thereof for the County by the Board and upon the approval thereof by resolution of the City Council of the City and the Township Board of the Township and execution thereof by the City's and Township's designated officials.

5. The Local Unit will take or abstain from taking all actions required by the federal Internal Revenue Code of 1986, as amended, and the regulations thereunder, including but not limited to actions relating to any required rebate of arbitrage earnings and the expenditures and investment of bond proceeds and moneys deemed to be bond proceeds.

6. The Supervisor, Township Clerk and Treasurer are each authorized to notify the Department of Treasury of the Local Unit's intent to issue the Bonds described in the preamble to this resolution, to pay the required filing fee and to request an order providing an exception for the bonds from prior approval by the Department of Treasury and to apply for any related waivers, or to request prior approval of the bonds if the exception from prior approval is not available.

7. The Local Unit 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) As of the date hereof, the Local Unit reasonably expects to be reimburse by the County for the expenditures described in (b) below with proceeds of debt to be incurred by the Local Unit.
- (b) The expenditures described in this paragraph (b) are for the costs of acquiring and constructing the Project, which were or will be paid subsequent to sixty (60) days prior to the date hereof.

- (c) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$3,000,000.
- (d) A reimbursement allocation of the expenditures described in (b) above with the proceeds of the borrowing described herein 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 Township's use of the proceeds of the debt to be issued for the Project to reimburse the Township for a capital expenditure made pursuant to this resolution.
- (e) The expenditures described in (b) above are "capital expenditures" as defined in Treas. Reg. § 1.150-1 (b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).
- (f) No proceeds of the borrowing paid to the Township in reimbursement pursuant to this resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in (d) above.
- (g) Expenditures for the Project to be reimbursed for the proceeds of the borrowing for purposes of this resolution do not include costs for the issuance of the debt or an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the borrowing, or preliminary expenditure not exceeding twenty (20) percent of the issue price of the borrowing, within the meaning of Treas. Reg. § 1.150-2(f) (such preliminary expenditures include architectural, engineering, surveying, soil testing and similar costs incurred prior to construction of the Project, which items can be reimbursed from bond proceeds regardless of the adoption of this resolution, but do not include land acquisition, site preparation, and similar costs incident to commencement of construction, which must fall within the parameters of this resolution to be reimbursed from bond proceeds).

8. Either the Township Supervisor or the Township Treasurer of the Township is hereby directed to execute and deliver, prior to delivery of the Bonds, a written Continuing Disclosure Undertaking in order to enable the purchasers of the Bonds to comply with the requirements of Rule 15c2-12. Pursuant to the terms of the Continuing Disclosure Undertaking, the Township will provide, or cause to be provided, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, (ii) timely notice of the occurrence of certain material events with respect to the Bonds, and (iii) timely notice of a failure by the Township to provide the required annual financial information on or before the date required in the Continuing Disclosure Agreement. The Continuing Disclosure Undertaking shall be in the form to be determined by the Township Supervisor or the Township Treasurer in consultation with bond counsel and the financial advisor.

9. The law firm of Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield") has represented the Local Unit as bond counsel in the past and has worked with the Local Unit in connection with the Project. The Local Unit consents to the representation of the County by Miller Canfield in connection with the Project and its financing and acknowledges that Miller Canfield is not representing the Local Unit in connection with the Project and its financing.

10. All resolutions and parts of resolutions insofar as the same conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: John Jones, Crystal Sovey, Tom Jeannette.

NAYS: None.

RESOLUTION DECLARED ADOPTED.


Township Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Township Board of the Township of Ira, County of St. Clair, State of Michigan, at a regular meeting held on August 16, 1999, 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


Township Clerk

RESOLUTION APPROVING DPW CONTRACT

City of Algonac
County of St. Clair, State of Michigan

Minutes of a regular meeting of the City Council of the City of Algonac, County of St. Clair, State of Michigan, held on the 17th day of August, 1999 at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Martin, Nevison, Tuzinowski, Wisdom, Zens

ABSENT: Bird, Conrad

The following preamble and resolution offered by Tuzinowski and supported by Zens:

WHEREAS, the City of Algonac, County of St. Clair, State of Michigan (the "Local Unit"), has requested the Board of Public Works of the County of St. Clair (the "Board"), acting on behalf of the County of St. Clair (the "County"), to take the necessary steps under the provisions of Act 185, Public Acts of Michigan, 1957, as amended, to finance costs of acquiring, constructing and financing sewage disposal improvements and expansions (the "Project") to service the Local Unit and the Townships of Clay and Ira (the "Townships"); and

WHEREAS, the costs of the Project are presently estimated to be not more than \$3,000,000; and

WHEREAS, the Board, the Local Unit and the Townships have negotiated a contract (the "Contract") providing for financing the costs for the Project through the issuance of bonds (the "Bonds"), by the terms of which Contract the Local Unit and the Townships are obligated to pay the portion of the cost of the Project to be financed to the County in installments as therein provided, a copy of which Contract is attached to this resolution and incorporated herein by reference; and

WHEREAS, the Project as described in the Contract is immediately necessary to protect and

preserve the public health; and

WHEREAS, the Local Unit intends, at this time to state its intentions to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the Local Unit for the Project prior to issuance of the Bonds; and

WHEREAS, prior to issuance of the above bonds the County and the Local Unit and the Townships must either receive prior approval of such obligation from the Michigan Department of Treasury or receive an order of exception from prior approval; and

WHEREAS, the Local Unit intends, at this time to state its intentions to approve its disclosure obligations in connection with the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Contract among the County, by and through the Board, the Local Unit and the Townships providing for the acquisition, construction and financing of the Project is hereby approved, and the Mayor and the Clerk of the Local Unit are authorized and directed to execute the Contract for and on behalf of the Local Unit.

2. The total estimated cost of the Project as submitted by the consulting engineers in the amount of not more than \$3,000,000 is hereby approved.

3. The Local Unit does hereby ratify and confirm its covenant in the Contract to levy ad valorem taxes against all taxable property in the Local Unit to the extent necessary to meet the obligations of the Local Unit thereunder and does further indicate its purpose and intent to make such a levy as necessary to meet such obligations, such levy, if necessary, to be within charter, statutory and constitutional limitations.

4. The Contract shall become binding and effective upon the approval thereof by resolution of the Board of Commissioners of the County and execution thereof for the County by the Board and upon the approval thereof by resolution of the Township Boards of the Townships and execution thereof

by the Townships' designated officials.

5. The Local Unit will take or abstain from taking all actions required by the federal Internal Revenue Code of 1986, as amended, and the regulations thereunder, including but not limited to actions relating to any required rebate of arbitrage earnings and the expenditures and investment of bond proceeds and moneys deemed to be bond proceeds.

6. The Mayor, City Clerk and Treasurer are each authorized to notify the Department of Treasury of the Local Unit's intent to issue the Bonds described in the preamble to this resolution, to pay the required filing fee and to request an order providing an exception for the bonds from prior approval by the Department of Treasury and to apply for any related waivers, or to request prior approval of the bonds if the exception from prior approval is not available.

7. The Local Unit 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) As of the date hereof, the Local Unit reasonably expects to reimburse the Local Unit for the expenditures described in (b) below with proceeds of debt to be incurred by the Local Unit.
- (b) The expenditures described in this paragraph (b) are for the costs of acquiring and constructing the Project which were or will be paid subsequent to sixty (60) days prior to the date hereof.
- (c) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$3,000,000.
- (d) A reimbursement allocation of the expenditures described in (b) above with the proceeds of the borrowing described herein 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 City's use of the proceeds of the debt to be issued for the Project to reimburse the City for a capital expenditure made pursuant to this resolution.
- (e) The expenditures described in (b) above are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly

chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

- (f) No proceeds of the borrowing paid to the City in reimbursement pursuant to this resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in (d) above.
- (g) Expenditures for the Project to be reimbursed for the proceeds of the borrowing for purposes of this resolution do not include costs for the issuance of the debt or an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the borrowing, or preliminary expenditure not exceeding twenty (20) percent of the issue price of the borrowing, within the meaning of Treas. Reg. § 1.150-2(f) (such preliminary expenditures include architectural, engineering, surveying, soil testing and similar costs incurred prior to construction of the Project, which items can be reimbursed from bond proceeds regardless of the adoption of this resolution, but do not include land acquisition, site preparation, and similar costs incident to commencement of construction, which must fall within the parameters of this resolution to be reimbursed from bond proceeds).

8. Either the City Manager or the Finance Director of the City is hereby directed to execute and deliver, prior to delivery of the Bonds, a written Continuing Disclosure Undertaking in order to enable the purchasers of the Bonds to comply with the requirements of Rule 15c2-12. Pursuant to the terms of the Continuing Disclosure Undertaking, the City will provide, or cause to be provided, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, (ii) timely notice of the occurrence of certain material events with respect to the Bonds, and (iii) timely notice of a failure by the City to provide the required annual financial information on or before the date required in the Continuing Disclosure Agreement. The Continuing Disclosure Undertaking shall be in the form to be determined by the City Manager or the Treasurer in consultation with bond counsel and the financial advisor.

9. The law firm of Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield") has

represented the Local Unit as bond counsel in the past and has worked with the Local Unit in connection with the Project. The Local Unit consents to the representation of the County by Miller Canfield in connection with the Project and its financing and acknowledges that Miller Canfield is not representing the Local Unit in connection with the Project and its financing.

10. All resolutions and parts of resolutions insofar as the same conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Wisdom, Zens, Martin, Nevison, Tuzinowski

NAYS: Members None

RESOLUTION DECLARED ADOPTED.

Rose Ann Ferrone
City Clerk

MILLER CANFIELD, P.A. 3000 CANFIELD DRIVE, P.O. BOX 1000, WASHINGTON, D.C. 20004

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the City Council of the City of Algonac, County of St. Clair, State of Michigan, at a regular meeting held on August 17, 1999, 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.

Rose Ann Peterson
City Clerk

MILLER CANFIELD, P.A. AND S.V.E., P.C.

DELE3:2087313 24078011-00021

RESOLUTION NO. 99-20
**RESOLUTION APPROVING DPW CONTRACT
AND BOND RESOLUTION**

Board of Public Works
County of St. Clair, State of Michigan

Minutes of a regular meeting of the Board of Public Works of the County of St. Clair, State of Michigan, held in said County on the 17th day of August, 1999, at 7:00 o'clock p.m., Eastern Daylight Time.

PRESENT: Members William Blumerich, Leonard Hool, Timothy LaLonde

ABSENT: Members None

The following preamble and resolution were offered by Member Blumerich and supported by Member LaLonde :

WHEREAS, a contract (the "Contract") providing for the acquiring, constructing and financing of sewage disposal improvements and expansions (the "Project") to service the City of Algonac and the Townships of Clay and Ira (collectively, the "Local Units") has been negotiated with the Local Units, and presented to this Board for its approval, a copy of which Contract is attached to this resolution and made a part hereof; and

WHEREAS, the Contract has been duly approved by resolution of the legislative bodies of the Local Units and duly executed by the Local Units;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Contract between the County of St. Clair, State of Michigan, by and through its Board of Public Works, and the Local Units providing for the acquisition, construction and

financing of the Project and the bond resolution in connection therewith are hereby approved, and the Secretary of this Board is authorized and directed to transmit such approval to the County Board of Commissioners with the recommendation of this Board that the Contract and the bond resolution be approved and adopted for and on behalf of the County.

2. This Board further specifically recommends that the limited tax full faith and credit of the County be pledged as secondary security for the bonds.

3. The Chairman and the Secretary of this Board are authorized and directed to execute the Contract for and on behalf of the County subject to approval and adoption thereof by the Board of Commissioners.

4. The Contract will become effective and binding in accordance with its terms upon execution and final approval and ratification thereof by the County Board of Commissioners, such final approval and ratification to be given by adoption by said Board of Commissioners of a resolution authorizing the issuance of bonds of the County pursuant to the Contract.

5. The Chairman and the Secretary and the Director of this Board each is authorized to file a request for an exception from prior approval or an application for approval to issue the bonds or to seek all appropriate waivers from such approval and to pay the application fees with the Local Audit and Finance Division of the Michigan Department of Treasury.

6. All resolutions and parts of resolutions insofar as the same conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Blumerich, Hool, LaLonde

NAYS: Members None

RESOLUTION DECLARED ADOPTED.

Deputy *Janet C. Kitamura*
Secretary, Board of Public Works

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Public Works of the County of St. Clair, State of Michigan, at a regular meeting held on August 17, 1999 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.



Deputy Secretary, Board of Public Works

DELIB:2091453.1\078011-00021

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

DPW CONTRACT

THIS CONTRACT, made and entered into this 8th day of September, 1999, by and among the COUNTY OF ST. CLAIR, a Michigan county corporation (the "COUNTY"), by and through its Board of Public Works, the CITY OF ALGONAC, the TOWNSHIP OF CLAY and the TOWNSHIP OF IRA, each Michigan public corporations located in the COUNTY (each a "LOCAL UNIT" and together, the "LOCAL UNITS").

WITNESSETH:

WHEREAS, it is necessary for the public health and welfare of the present and future residents of the LOCAL UNITS that a sewage disposal system (the "Project") be constructed to meet the present and future requirements of the LOCAL UNITS; and

WHEREAS, the COUNTY, under the provisions of Act 185, Public Acts of Michigan, 1957, as amended (the "Act"), has established a Department of Public Works for the administration of the powers conferred upon the COUNTY by the Act, which Department is under the immediate control of the Board of Public Works (the "Board") and under the general control of the Board of Commissioners of the COUNTY; and

WHEREAS, the Act authorizes a county to acquire and construct a sewage disposal system as defined in the Act, and to improve, enlarge, extend and operate such system; and

WHEREAS, by the terms of the Act the COUNTY and the LOCAL UNITS are authorized to enter into a contract for the acquisition and financing of the Project and the payment of the cost thereof by the LOCAL UNITS, with interest, over a period of not exceeding forty (40) years, and the COUNTY is then authorized, pursuant to appropriate action by its Board of Commissioners, to issue bonds of the COUNTY to provide the funds necessary therefor, secured primarily by the full faith and credit contractual obligations of the LOCAL UNITS and secondarily by the full faith and credit pledge of the COUNTY if duly authorized by appropriate resolution of its Board of Commissioners; and

WHEREAS, the Act provides the most practicable and economic method and means for acquiring and financing the Project so vitally necessary for the public health and welfare of the residents of the COUNTY residing in the LOCAL UNITS to be served, and financing under the Act is expected to result in the lowest cost for the money necessary to be borrowed for such purpose; and

WHEREAS, plans and an estimate of cost for the two aspects of the Project have been prepared by McNamee, Porter and Seeley, Inc., engineers of Ann Arbor, Michigan and Hubbell, Roth and Clark, engineers of Bloomfield Hills, Michigan (collectively, the "Engineers"), which said estimate of cost totals not to exceed \$3,000,000; and

WHEREAS, in order to issue bonds of the COUNTY to provide funds in the amount of not to exceed \$3,000,000 to pay said cost, it is necessary for the COUNTY and the LOCAL UNITS to enter into a contract, as provided in the Act; and

WHEREAS, it is also necessary for the COUNTY and the LOCAL UNITS to contract relative to the operation and maintenance of the Project and the System (hereinafter defined);

NOW, THEREFORE, in consideration of the premises and the covenants of each other, the parties hereto agree as follows:

1. The COUNTY and the LOCAL UNITS approve the acquisition and construction of the Project as the St. Clair County Sewage Disposal System No. I (City of Algonac, Clay and Ira Townships (the "System") under the provisions of the Act, the Project consisting generally of outfall improvements and new pump stations and expansions together with all necessary and related rights in land, appurtenances and attachments, which Project and the area to be served thereby are more specifically set out in the plans for the Project prepared by the Engineers and referred to in the preamble hereto.

2. Each LOCAL UNIT hereby consents to the use by the COUNTY of the public streets, alleys, lands and rights-of-way in the LOCAL UNITS for the purpose of constructing, operating and maintaining the Project and any improvements, enlargements and extensions thereto.

3. The Project is designed to serve the LOCAL UNITS and the users of the System and is immediately necessary to protect and preserve the public health, and each LOCAL UNIT does, by these presents, consent to the furnishing of water supply service, as provided in Section 7 hereof, to the individual users of the LOCAL UNITS. All parties specifically agree, however, that the COUNTY shall not have the right to take over operation of the Project and serve individual customers directly, the COUNTY being limited to other remedies prescribed in this contract in the event of any default hereunder by the LOCAL UNITS.

4. The Board and the LOCAL UNITS hereby approve and confirm the plans for the Project prepared by the Engineers and the estimated cost thereof in the sum of not to exceed \$3,000,000. Said estimated cost includes all surveys, plans, specifications, acquisition of property for rights-of-way, physical construction necessary to acquire and construct the Project, the acquisition of all materials, machinery and necessary equipment, and engineering, engineering supervision, administrative, legal and financing expenses necessary in connection with the acquisition and construction of the Project and the financing thereof, including bond discount.

5. The Board will acquire and construct the Project and for that purpose will cause bids to be taken for the acquisition and construction thereof prior to the time that any bonds are issued for the purpose of financing costs thereof. The Board shall in no event enter into any final contract or contracts for the acquisition and construction of the Project if such contract price or prices will be such as to cause the actual cost of the Project to the LOCAL UNITS to

exceed the installment obligations approved in Section 9 of this contract unless the LOCAL UNITS, by resolutions of its legislative bodies, (a) approve said increased cost and (b) agree to pay said increased amount, either in cash or by specifically authorizing the maximum principal amount of bonds to be issued, as provided in Sections 8 and 9 of this contract, to be increased to an amount which will provide sufficient funds to meet said increased cost and a similar increase in the installment obligations of the LOCAL UNITS pledged under the terms of this contract to the payment of such bonds.

6. The Project shall be acquired by the Board in accordance with the plans and specifications therefor approved by this contract; provided, however, that variations from said plans and specifications may be made without the approval of the LOCAL UNITS if such variation shall not materially affect such plans and specifications. All matters relating to engineering plans and specifications, together with the making and letting of final contracts for acquisition of the Project, the approval of work and materials thereunder, and construction supervision, shall be in the exclusive control of the Board. Any acquisition of rights-of-way shall be done by the COUNTY, title to be in the COUNTY'S name, but the cost of such acquisition shall be paid from the proceeds of sale of the bonds.

7. The COUNTY does hereby let and lease the Project to the LOCAL UNITS, and the LOCAL UNITS do hereby rent and hire the Project from the COUNTY for a term commencing upon the completion of the Project, or any substantial part thereof, and ending upon the expiration of this contract. The LOCAL UNITS responsible for the operation, maintenance and administration of the Project as a part of the System for and on behalf of and as the agency of the COUNTY for such purpose.

Each LOCAL UNIT will retain the exclusive right and option to establish, maintain and collect rates and charges for services to its inhabitants or other persons using any facilities of the System. Revenues derived from any such rates or charges shall be first used and applied to pay any operation and maintenance costs for sewage disposal service in the LOCAL UNITS, including costs of the Project. Thereafter revenues shall be applied to debt service on any sewage disposal system revenue bonds, if any, of the LOCAL UNIT and then shall be used to pay obligations to the COUNTY hereunder. Any remaining revenues may be applied by the LOCAL UNIT to any expenses reasonably related to sewage disposal system purposes.

Each LOCAL UNIT covenants that should it appear that additional funds will be needed to pay the expenses of operation, maintenance and administration of the System and/or debt service on the bonds when due, the LOCAL UNITS will promptly increase rates and charges for the use of all sewage disposal system facilities of the LOCAL UNITS, so that sufficient revenues will be available for such purposes. The COUNTY shall have the right to examine the books and records of each LOCAL UNIT relative to the System and, after conferring with the LOCAL UNITS, shall have the authority to direct the LOCAL UNITS to increase such rates and charges should it appear to the COUNTY that additional funds will be needed for such purposes.

The LOCAL UNITS shall operate, maintain and administer the Project as a part of the

System and pay all costs thereof, so as to keep all such facilities in proper repair and working order, and the COUNTY shall have the right to inspect the Project at reasonable times to insure that LOCAL UNITS servicing is appropriate. If the COUNTY in its sole discretion shall determine that repairs to the Project are necessary, or that some other operation, maintenance or administrative action is necessary, it shall have the right to order the LOCAL UNITS in writing to make such repairs or take such action. If the LOCAL UNITS shall not make the necessary repairs or take the necessary action within 30 days after the date such notice is sent, the COUNTY shall have the authority to make the necessary repairs or take the necessary action itself and charge the same to the LOCAL UNITS, using any of the methods provided herein for collection of such charges. As a part of its obligation to operate, maintain and administer properly, the LOCAL UNITS shall provide and pay for insurance on the Project as well as liability insurance protecting the Project and the COUNTY and all officers and employees thereof, such insurance to be in amounts and coverage as is generally carried for public utilities similar to the Project.

The parties hereto agree that the Project shall be acquired, constructed, operated, administered and maintained for the sole use and benefit of the LOCAL UNITS and their various water supply system users, and the LOCAL UNITS shall pay all costs in connection therewith, the COUNTY remaining the titular owner of the Project only to comply with the requirements of the Act. The LOCAL UNITS shall have the exclusive right and discretion, subject only to review by the COUNTY on the basis of sound public utility operational procedure, to determine policy for the use, expansion, improvement, operation and administration of the Project.

8. To provide for the construction and financing of the Project in accordance with the provisions the Act, the Board shall take the following steps:

(a) The Board will submit to the Board of Commissioners of the COUNTY a resolution providing for the issuance of bonds in one or more series in the aggregate principal amount of not to exceed Three Million Dollars (\$3,000,000), except as authorized pursuant to Section 5 of this contract, to finance a portion of the cost of the Project. Said bonds shall mature serially, as authorized by law, and shall be secured primarily by the contractual obligations of the LOCAL UNITS to pay the annual installments due, plus interest, as hereinafter provided in this contract, and secondarily, if approved by a three-fifths (3/5) majority of the members of the Board of Commissioners, by the full faith and credit of the COUNTY. After due adoption of the resolution, the Board will take all steps necessary to effectuate the sale and delivery of the bonds.

(b) The Board shall take all steps necessary to enter into and execute final construction contracts for the acquisition and construction of the Project as specified and approved in this contract in accordance with the plans and specifications therefor as approved by this Contract. Said contracts shall specify a completion date agreeable to the LOCAL UNITS.

(c) The Board will require and procure from the contractor or contractors undertaking the actual construction and acquisition of the Project necessary and proper bonds to guarantee the performance of the contract or contracts and such labor and material bonds as may be required by law, in such amount and such form as may be approved by the Board.

(d) The Board upon receipt of the proceeds of sale of the bonds will comply with all provisions and requirements provided for in the resolution authorizing the issuance of the bonds and this contract relative to the disposition and use of the proceeds of sale of the bonds.

(e) The COUNTY may temporarily invest any bond proceeds or other funds held by it for the benefit of the LOCAL UNITS as permitted by law, and investment income shall accrue to and follow the fund producing such income. Neither the COUNTY nor the LOCAL UNITS shall invest, reinvest, or accumulate any moneys deemed to be proceeds of the bonds pursuant to applicable federal law and regulations, in such a manner as to cause the bonds to be "arbitrage bonds" within the meaning of said law and regulations.

9. The cost of the Project to be financed by the issuance of the aforesaid bonds shall be charged to and paid by the LOCAL UNITS to the Board in the manner and at the times herein set forth. The principal amount thereof (not to exceed \$3,000,000) shall be paid to the Board in annual principal installments, plus interest and other expenses as hereinafter provided, on March 1st of each year (or such other dates as may be finally determined by the COUNTY), as follows or in such other amounts as determined by the Director of the Board, provided the maximum principal amount of the bonds or series of bonds does not exceed \$3,000,000:

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<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
2000	\$ 15,000	2007	\$295,000
2001	40,000	2008	310,000
2002	50,000	2009	325,000
2003	90,000	2010	340,000
2004	250,000	2011	360,000
2005	265,000	2012	380,000
2006	280,000		

Each LOCAL UNIT shall pay its Local Unit Share (as hereinafter defined) of each payment required to be made by the LOCAL UNITS to the Board pursuant to this Section 9 of this contract. "Local Unit Share" means for each LOCAL UNIT, the percentage of each payment, as follows:

City of Algonac	19.4%
Township of Clay	42.7%
Township of Ira	37.9%

The Director of the Board is hereby authorized by the COUNTY and each of the LOCAL UNITS to adjust the local Unit Share based upon the actual construction bids received for the Project and any cash contribution made by any of the LOCAL UNITS for the Project. As described in Section 1 above, the Project has two components: (1) outfall improvement and (2)

new pump stations. Each of the LOCAL UNITS has the following allocated cost of the two components of the Project:

Outfall Improvements

City of Algonac	30%
Township of /Clay	40%
Township of Ira	30%

Pump Station

City of Algonac	0%
Township of Clay	47.6%
Township of Ira	52.4%

The allocated cost of the two components of the Project are not subject to change by the Director of the Board, without additional approval from the LOCAL UNITS.

It is understood and agreed that the bonds of the COUNTY hereinbefore referred to will be issued in anticipation of the above contractual obligation, with principal maturities on April 1st of each year, commencing with the year 2000, corresponding to the principal amount of the above installments, and the LOCAL UNITS shall also pay to the Board in addition to said principal installments, on March 1st and September 1st of each year, commencing March 1, 2000, or such date as required to meet the debt service on the bonds, as accrued interest on the principal amount remaining unpaid, an amount sufficient to pay all interest due on the succeeding interest payment dates (April 1st and October 1st, respectively) on said COUNTY bonds from time to time outstanding.

From time to time as the Board is billed by the paying agent for the bonds to be issued for its services as paying/transfer agent/registrar for the bonds, and as other costs and expenses accrue to the Board from handling of the payments made by the LOCAL UNITS, or from other actions taken in connection with the Project, the Board shall promptly notify the LOCAL UNITS of the amount of such paying agent fees and other costs and expenses, and the LOCAL UNITS shall promptly remit to the Board sufficient funds to meet such fees and other costs and expenses.

Should cash payments be required from the LOCAL UNITS in addition to the amounts specified in the preceding paragraph to meet costs of constructing the Project, the LOCAL UNITS shall, upon written request by the Board, furnish to the Board written evidence of its agreement and ability to make such additional cash payments, and the Board may elect not to proceed with the acquisition or financing of the Project until such written evidence satisfactory to the Board, has been received by it. The LOCAL UNITS shall pay to the Board such additional cash payments within thirty (30) days after written request for such payment has been delivered by the Board to the LOCAL UNITS.

It is further understood that in the event that principal amount of the bonds to be sold is reduced as provided in Section 16 of the Contract, then the annual principal installments shall be adjusted by the COUNTY acting through the Board and the Board shall notify the LOCAL UNITS of such adjustments as provided in the following paragraph.

10. The Board shall, within thirty (30) days after the delivery of the COUNTY bonds hereinbefore referred to, furnish the LOCAL UNITS with a complete schedule of maturities of principal and interest thereon, and the Board shall also, at least thirty (30) days prior to each principal and/or interest installment due date, advise the LOCAL UNITS, in writing, of the exact amount of principal and/or interest due on the COUNTY bonds on the next succeeding bond principal and/or interest due date, and payable by the LOCAL UNITS on the first day of the month immediately preceding, as hereinbefore provided. Failure of the Board to notify the LOCAL UNITS of any such payment shall not relieve the LOCAL UNITS of the obligation to make such payment.

If any principal installment or interest is not paid when due, the amount not so paid shall be subject to a penalty, in addition to interest, of one percent (1%) thereof for each month or fraction thereof that the same remains unpaid after the due date.

11. The LOCAL UNITS, pursuant to authorization of Section 12 of the Act, hereby irrevocably pledges its full faith and credit for the prompt and timely payment of its obligations pledged for bond payments as expressed in this Contract. Pursuant to such pledge, if other funds are not available, the LOCAL UNITS shall be required to pay such amounts from any of its general funds as a first budget obligation and shall each year levy an ad valorem tax on all the taxable property in the LOCAL UNITS in an amount which, taking into consideration estimated delinquencies in tax collections, will be sufficient to pay such obligations under this contract becoming due before the time of the following year's tax collections, such annual levy, however, to be subject to applicable charter, statutory and constitutional tax limitations. The foregoing commitments of each LOCAL UNIT are expressly recognized as being for the purpose of providing funds to meet the contractual obligations of the LOCAL UNITS in anticipation of which the bonds of the COUNTY hereinbefore referred to are issued. Nothing herein contained shall be construed to prevent each LOCAL UNIT from using any, or any combination of, the means and methods provided in paragraph 2, Section 12 of the Act for the purpose of providing funds to meet its obligations under this Contract, and if at the time of making the annual tax levy there shall be other funds on hand earmarked and set aside for the payment of the contractual obligation due prior to the next tax collection period, then such annual tax levy may be reduced by such amount. The governing body of each LOCAL UNIT each year, at least 90 days prior to the final date provided by law or charter for the making of the annual tax levy, shall submit to the Board a written statement setting forth the amount of its obligations to the COUNTY that become due and payable under this Contract prior to the time of the next following year's tax collections, the amount of the funds that the LOCAL UNITS have or will have on hand (or to its credit in the hands of the COUNTY) that are or will be available for payment of its contractual obligations to the COUNTY and the amount of taxes next proposed to be levied for the purpose of raising money to meet the obligations. The Board

shall review such statement promptly and, if it finds that the proposed tax levy is insufficient after taking into account such other available funds, it shall so notify the governing body of the LOCAL UNIT, and the LOCAL UNIT covenants and agrees that it will increase its levy to such extent as may be required by the Board. The LOCAL UNITS also covenant and agree that they are required to make the contractual payments under this Contract regardless of an insufficiency in collection of projected sewage disposal system user charges and regardless of the approval or acceptance by the Board of any projections supplied to it by the LOCAL UNIT.

12. Each LOCAL UNIT may pay in advance any of the payments by the LOCAL UNIT required to be made by this Contract, in which event the Board shall credit the LOCAL UNITS with such advance payment on future-due payments to the extent of such advance payment, or use such advances to call bonds, without credit.

13. Each LOCAL UNIT may pay additional moneys over and above any of the payments specified in this Contract, with the written request that said additional funds be used to call bonds for redemption prior to maturity, in which event the Board shall be obligated to apply and use said moneys for such purpose to the fullest extent possible. Such moneys shall not then be credited as advance payments under the provisions of Section 11 of this Contract.

14. In the event a LOCAL UNIT shall fail for any reason to pay to the Board at the times specified the amounts required to be paid by the provisions of this Contract, the Board shall immediately give notice of such default and the amount thereof, in writing, to the LOCAL UNIT'S Treasurer, the Treasurer of the COUNTY, the Treasurer of the State of Michigan, and such other officials charged with disbursement to the LOCAL UNIT of funds returned by the State and now or hereafter under the Act available for pledge as provided in this Section and in Section 17 of the Act, and if such default is not corrected within ten (10) days after such notification, the State Treasurer, or other appropriate official charged with disbursement to the LOCAL UNIT of the aforesaid funds, is, by these presents, specifically authorized by the LOCAL UNIT, to the extent permitted by law, to withhold from the aforesaid funds the maximum amount necessary to cure said deficit and to pay said sums so withheld to the Board, to apply on the obligations of the LOCAL UNIT as herein set forth. Any such moneys so withheld and paid shall be considered to have been paid to the LOCAL UNITS within the meaning of the Michigan Constitution and statutes, the purpose of this provision being to voluntarily pledge and authorize the use of said funds owing to the LOCAL UNITS to meet any past-due obligations of a LOCAL UNIT due under the provisions of this Contract. In addition to the foregoing, the Board shall have all other rights and remedies provided by law to enforce the obligations of the LOCAL UNITS to make their payments in the manner and at the times required by this Contract, including the right of the COUNTY to direct the LOCAL UNITS to make a tax levy or rate increase to reimburse the COUNTY for any funds advanced. The LOCAL UNITS will not take any action to reduce the right of the COUNTY to receive the aforesaid state-returned moneys in the event of default.

15. It is specifically recognized by the LOCAL UNITS that the debt service payments required to be made by them pursuant to the terms of Section 9 of this Contract are to be

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pledged for and used to pay the principal of and interest on the bonds to be issued by the COUNTY, as provided by this Contract and authorized by law, and each LOCAL UNIT covenants and agrees that it will make all of its required payments to the Board promptly and at the times specified herein without regard to whether the Project is actually completed or placed in operation.

16. If after construction bids are let the proceeds of the sale of the bonds to be issued by the COUNTY are for any reason insufficient to complete the Project, the COUNTY shall be automatically authorized to issue additional bonds in an aggregate principal amount sufficient to complete the Project, and the annual payments required to be made by the LOCAL UNITS shall also be increased in an amount so that the total payments required to be made as increased will be sufficient to meet the annual principal and interest requirements on the bonds herein authorized, plus the additional bonds to be issued. Any such additional bonds shall in all respects comply with the requirements of the Act, and any increases in the annual payments shall be made in the manner and at the times specified in this Contract. In lieu of said additional bonds, the LOCAL UNITS may pay over to the Board in cash sufficient money to complete the Project.

If before or after construction bids are let and prior to sale of the bonds it is determined by the Board that the full amount of the bonds is not necessary to complete the Project, then the COUNTY acting through the Board shall be automatically authorized to reduce the amount of bonds sold.

17. After completion of the Project and payment of all costs thereof, any surplus remaining from the proceeds of sale of the bonds shall be used by the Board for either of the following purposes, at the option of and upon request made by resolution of each LOCAL UNITS, to wit: (a) for additional sewage disposal system improvements in the System, or (b) credited by the Board toward the next payments due the Board by the LOCAL UNITS hereunder.

18. The obligations and undertakings of each of the parties to this Contract shall be conditioned on the successful issuance and sale of bonds pursuant to the Act, and if for any reason whatsoever said bonds are not issued and sold within three (3) years from the date of this Contract, this Contract, except for payment of preliminary expenses and ownership of engineering data, shall be considered void and of no force and effect. In the event that said bonds are not issued and sold, all preliminary legal and engineering costs shall be paid by the LOCAL UNITS, and the LOCAL UNITS shall have ownership, possession and use of all plans and specifications, surveys and other engineering data and materials prepared.

19. The Board and the LOCAL UNITS each recognize that the holders from time to time of the bonds issued by the COUNTY under the provisions of the Act to finance a portion of the costs of the Project will have contractual rights in this Contract, and it is therefore covenanted and agreed by each of them that so long as any of said bonds shall remain outstanding and unpaid, the provisions of this Contract shall not be subject to any alteration or

revision which would in any manner materially affect either the security of the bonds or the prompt payment of principal or interest thereon. The LOCAL UNITS and the Board further covenant and agree that they will each comply with their respective duties and obligations under the terms of this Contract promptly at the times and in manner herein set forth, and will not suffer to be done any act which would in any way impair the said bonds, the security therefor, or the prompt payment of principal and interest thereon. It is hereby declared that the terms of this Contract, insofar as they pertain to the security of any such bonds, shall be deemed to be for the benefit of the holders of said bonds.

20. This Contract shall remain in full force and effect for a period of forty (40) years from the date hereof, or until such time as all bonds issued by the COUNTY to finance the Project are paid in full. At such time within said forty-year term as all of said bonds are paid, this Contract shall be terminated and ownership of the Project shall revert to the LOCAL UNITS, unless at that time there are other bonds outstanding of the COUNTY relative to the System or there are other contractual arrangements among the LOCAL UNITS and the COUNTY. In any event, the obligations of the LOCAL UNITS to make payments required by Section 9 of this Contract shall be terminated at such time as all of said bonds are paid in full, together with any deficiency or penalty thereon.

21. If any LOCAL UNIT or combination of the LOCAL UNITS, acting individually, jointly or through an authority, operate the System rather than the COUNTY, then the parties hereto hereby expressly agree that the COUNTY shall not be liable for and the LOCAL UNITS shall pay, defend, indemnify and save the COUNTY harmless of, from and against all liability of any nature whatever for claims arising on dates other than the dates that the System was operated by the COUNTY, regardless of the nature in which such liability may arise, for any and all claims, actions, demands, expenses, damages, and losses of every conceivable kind, whatsoever (including, but not limited to, liability for injuries to or death of persons and damages to or loss of property) asserted by or on behalf of any person, firm, corporation or governmental authority arising out of, resulting from, or in any way connected with ownership, acquisition, construction, operation, maintenance and repair of the Project, this Contract, or the issuance, sale and delivery of the bonds herein described except for those claims caused, occasioned or contributed to by negligence, sole or concurrent, of the COUNTY or by negligence for which the COUNTY may be held liable. If any LOCAL UNIT or combination of the LOCAL UNITS operate the System rather than the COUNTY, it is the intent of the parties that the COUNTY be held harmless by the LOCAL UNITS from liability for such claim, actions, demands, expenses, damages and losses arising on dates other than the dates that the System was operated by the COUNTY, however caused or however arising including, but not limited to, to the extent prohibited by law, such claims, actions, demands, expenses, damages and losses except for those caused, occasioned or contributed to by negligence, sole or concurrent, of the COUNTY or by negligence for which the COUNTY may be liable. It is expressly agreed and understood that this agreement and the language contained herein shall not be construed to in any manner expand the liability of the COUNTY or the LOCAL UNITS beyond that existing under current law. It is further expressly understood and declared that the work to be performed under this agreement is a governmental function, pursuant to the statutory

duties of the parties. It is the intention of the parties that this agreement shall not in any manner be construed to waive the defense of governmental immunity which the parties possess. It is further the intention and understanding of the parties that this agreement is not made nor should it be construed to be made for the benefit of any third party.

The COUNTY will require or procure from the Contractor or contractors undertaking the actual construction of the Project insurance protecting both the LOCAL UNITS and the COUNTY (including the Board) from liability in connection with such construction. The cost of such insurance shall be considered to be a part of the cost of the Project. Any insurance maintained pursuant to this paragraph shall contain a clause or endorsement under which the insurer waives all rights of subrogation against the LOCAL UNITS and the COUNTY and their agents or employees with respect to losses payable under the policy.

22. This Contract shall inure to the benefit of and be binding upon the respective parties hereto, their successors and assigns.

23. This Contract shall become effective upon approval by the legislative body of each LOCAL UNIT, by the Board of Public Works of the COUNTY and by the Board of Commissioners of the COUNTY, and when duly executed by the Mayor and the City Clerk of the CITY OF ALGONAC, by the Supervisor and Township Clerk of the TOWNSHIP OF CLAY, by the Supervisor and Township Clerk of the TOWNSHIP OF IRA and by the Chairman and the Secretary of the Board of Public Works for and on behalf of the COUNTY. This Contract may be executed in several counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the date and year first above written.

COUNTY OF ST. CLAIR
By the Board of Public Works

By _____
Chairman

By _____
Secretary

CITY OF ALGONAC

By Raymond J. Martin
Mayor

By Michelle Lee Hill
Deputy City Clerk

TOWNSHIP OF CLAY

By Jon E. Manor
Supervisor

By M. W. P. Alt
Township Clerk

TOWNSHIP OF IRA

By John T. Jones
Supervisor

By Crystal Gray
Township Clerk

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

DELIB:2086501.3\078011-00021

RESOLUTION 99-28

SUPPORTING FOUR-YEAR TERMS FOR COUNTY COMMISSIONERS

WHEREAS, State Senators, some county officials and township officials are elected terms of four years; and

WHEREAS, the office of County Commissioner is required by state law to serve year terms; and

WHEREAS, due to the two year term, considerable expense is incurred through frequent campaigning and elections, not to mention loss of productivity; and

WHEREAS, a two year term denies to the electorate the abilities and expertise that can be developed in a four year term; and

WHEREAS, a four year term for County Commissioners would provide continuity in County Government; and

WHEREAS, HB 4760 and HB 4761 have been introduced by Rep. Rick Johnson to provide four year terms for County Commissioners; and

WHEREAS, the Michigan Association of Counties is urging that HB 4760 and HB 4761 be passed calling for four year terms for County Commissioners.

NOW, THEREFORE BE IT RESOLVED that the St. Clair County Board of Commissioners and the Michigan Association of Counties support the four year terms for County Commissioners.

BE IT FURTHER RESOLVED that copies of this resolution be sent to all county legislators and the Governor of the State of Michigan

DATED: August 11, 1999

Don Wickery

REVIEWED AND APPROVED
AS TO FORM BY:

Lee Masters

Elwood L. Brown

Quaintance G. Gileys

ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

Pat Gecorath

Donald E. Rody

Edwin Swan

Janice Keegan

RESOLUTION 99-27
RESOLUTION AUTHORIZING

ST. CLAIR COUNTY WATER SUPPLY SYSTEM NO. III-1999 SERIES B
(CHARTER TOWNSHIPS OF CHINA AND EAST CHINA)
GENERAL OBLIGATION WATER PLANT IMPROVEMENT BONDS
AND AMENDING PRIOR BOND RESOLUTION OF APRIL 14, 1999

Minutes of a regular Meeting of the Board of Commissioners of the County of St. Clair, Michigan (the "County"), held in said County on the 11th day of August, 1999, at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Members Acciavatti, Dodge, Gittings, Keegan,
Masters, Quain, and Wismer

ABSENT: Members None

The following preamble and resolution were offered by Member Masters and supported by Member Dodge:

WHEREAS, the County, acting by and through its Board of Commissioners and pursuant to the authority conferred upon it by Act 185, Public Acts of Michigan, 1957, as amended (the "Act"), did, by resolution duly adopted by at least a two-thirds (2/3) vote of the members-elect of said Board of Commissioners, establish a Department of Public Works in and for the County for the administration of the powers conferred upon the County by the Act; and

WHEREAS, pursuant to the authorization of Section 2 of the Act, a Board of Public Works (the "Board of Public Works") has been appointed and is functioning as the governing body of said Department of Public Works; and

WHEREAS, the County pursuant to the Act has established the St. Clair County Water Supply System No. III-1999 Series (Charter Townships of China and East China) (the "System"); and

WHEREAS, the County, by and through the Board of Public Works, and the Charter Townships of China and East China, both of the County of St. Clair, State of Michigan (the "Local Units") have entered into a contract (the "Contract") and a contract supplement (the "Contract Supplement") for the acquisition, construction, financing and operating of water plant improvements and expansions (the "Project"), which Contract and Contract Supplement are each made a part of this resolution by this reference thereto; and

WHEREAS, the Contract Supplement has been duly approved by resolutions of the Board of Public Works, the County Board of Commissioners, and the legislative bodies of each of the Local Units and has been fully executed by the parties thereto; and

WHEREAS, plans, specifications and estimates of cost of the Project have been prepared by Wade Trim, engineers of Taylor, Michigan (the "Engineers"), and have been duly approved by the Board of Public Works; and

WHEREAS, under the provisions of the Contract and the Contract Supplement the Local Units have obligated themselves to pay the cost of said Project to be financed by the issuance of bonds of the County by paying the installments, plus interest, as specified in the Contract and the Contract Supplement (the "Contractual Payments"), and have further obligated themselves to collect sufficient moneys annually for the purpose of meeting the Contractual Payments; and

WHEREAS, the County, pursuant to a resolution adopted April 14, 1999 (the "Resolution") has authorized its \$7,500,000 Water Supply System No. III - 1999 Series (Charter Townships of China and East China) General Obligation Water Plant Improvement Bonds (the "Prior Bonds"); and

WHEREAS, because of increased construction bids, it is now necessary to authorize a second series of bonds in the amount of \$925,000 to pay the additional costs of the Project; and

WHEREAS, the County now proposes to issue a second series of bonds, as authorized by the Act, in anticipation of and secured primarily by the Contractual Payments which the Local Units have in

the Contract Supplement obligated themselves to provide in such amounts as may be necessary to pay the cost of constructing the Project, and all things necessary to the authorization and issuance of said bonds under the Act having been done, and the County being now empowered and desirous of authorizing the issuance of said bonds; and

WHEREAS, Chapter III, Section 12(d) of the Municipal Finance Act, Act 202 of the Public Acts of Michigan, 1943, as amended, permits a municipality to authorize, within limitations which shall be contained in the authorization resolution of the governing body, an officer to sell and deliver and receive payment for obligations, and to approve interest rates or methods for fixing interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, place of delivery and payment, and other matters and procedures necessary to complete authorized transaction; and

WHEREAS, it is also deemed necessary and appropriate to amend Section 13 of the Resolution so as to provide to the Director maximum flexibility to fix the maturity schedule for the Prior Bonds in amounts that may be required by the Authority (as defined herein); and

WHEREAS, the Board of Public Works has approved this resolution and recommended its adoption by this Board of Commissioners;

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

1. The plans, specifications and estimates of cost for the Project as prepared by the Engineers are again hereby accepted and approved, and it is again hereby determined to be advisable and necessary for the public health of the County to acquire, construct and complete the Project as provided in said plans and specifications.
2. The Contract Supplement is hereby ratified, confirmed and approved and the County Clerk is authorized and directed to transmit such approval to the Board of Public Works.

The Chairman and Secretary of the Board of Public Works are authorized and directed to execute the Contract Supplement for and on behalf of the County subject to approval and adoption thereof by the Board of Public Works.

3. The Board of Public Works is hereby designated, for and on behalf of the County, to notify the Michigan Department of Treasury of the County's intent to issue the bonds described herein, to pay the related fee or fees and to request an order or orders providing an exception for the second issue of the bonds from prior approval by the Department of Treasury, or in the alternative secure Treasury approval of the second issue of the bonds by means of a full application or applications. The Director of the Board of Public Works is hereby authorized and directed to execute the application or applications to the Michigan Department of Treasury.
4. The total estimated cost of acquiring and constructing the Project, including payment of incidental expenses as specified in Section 6 of this resolution, in the amount of not to exceed \$8,425,000 is hereby approved and confirmed.
5. The estimated period of usefulness of the Project is determined to be not less than fifty (50) years.
6. For the purpose of paying the remaining part of the cost of the Project, including payment of engineering, legal and financial expenses, bonds of an issue designated as "St. Clair County Water Supply System No. III-1999 Series B (Charter Townships of China and East China) General Obligation Water Plant Improvement Bonds" (the "Bonds") shall be issued by the County, and shall be payable primarily out of the contractual payments required to be paid by the Local Units pursuant to the Contract Supplement. The Bonds shall be issued in an amount of not to exceed Nine Hundred Twenty Five Thousand Dollars (\$925,000) or such lesser amount as shall be determined by the Board

of Public Works at the time or times of sale (the "Principal Amount") and approved by the State of Michigan acting through its Department of Environmental Quality ("DEQ") and the Michigan Municipal Bond Authority (the "Authority"). The remaining cost of the Project shall be defrayed from the proceeds of the Prior Bonds.

7. The Bonds which are sold to the Authority shall be in the form of a single fully-registered, nonconvertible bond of the denomination of the Principal Amount dated as of the date of delivery of the Bonds, payable in principal installments serially on April 1 of each year in such amounts and beginning on such date as may be determined by the Director of the Board of Public Works at the time of sale of the Bonds and approved by the Authority, provided the first principal repayment shall not be earlier than April 1, 2002 and final payment of principal shall not be later than April 1, 2020. The schedule of principal installments shall be finally determined by the Director of the Board of Public Works at the time of sale of the Bonds to the Authority. Final determination of the Principal Amount and the payment dates and amounts of principal installments of the Bonds shall be evidenced by execution of the Purchase Contract between the Board on behalf of the County and the Authority providing for sale of the Bonds.

The Bonds or installments thereof will be subject to prepayment prior to maturity in the manner and at the times as provided in the form of Bond contained in this Resolution or as may be approved by the Authority.

The Board of Public Works is hereby authorized to sell the Bonds to the Authority at an interest rate of two and one-half percent (2.50%) per annum and at the par value thereof as evidenced by execution of a Purchase Contract as provided in Section 18 below, and to deliver the Bonds in accordance with the delivery instructions of the Authority.

The Bonds are expected to be delivered to the Authority in installments (the "delivery

installments"); the Authority will periodically provide to the County a statement showing the delivery installments which have been advanced and the date of each advance. The delivery installments shall be deemed to correspond to the serial principal installments of the Bonds in direct chronological order of said serial principal installments.

The serial principal installments of the Bonds will each bear interest from the date of delivery of the corresponding delivery installment at the rate of two and one half percent (2.50%) per annum payable on April 1, 2000 and semiannually thereafter on April 1 and October 1 of each year until maturity or earlier prepayment of said installment; provided however, that at the time of sale of the Bonds to the Authority, the Board of Public Works may approve a lower interest rate or an earlier or a later date for initial payment of interest if approved by the Authority. *In the event of a default in the payment of principal of interest thereon when due, whether at maturity, by redemption or otherwise, the Bonds shall bear additional interest as required by the Authority.* The Bonds sold to the Authority shall not be convertible or exchangeable into more than one fully-registered bond.

The Board of Public Works shall record on the registration books payment by the County of each installment of principal or interest or both when made and the canceled checks or other records evidencing such payments shall be returned to and retained by the Board of Public Works and shall be conclusive evidence of such payments and the obligation of the County with respect to such payments shall be discharged to the extent of such payments.

Upon payment by the County of all outstanding principal of and interest on the Bonds sold to the Authority, the registered owner thereof shall deliver the Bonds to the County for cancellation.

8. The Chairman of the Board of Commissioners and the County Clerk are hereby authorized and directed to execute the Bonds by means of their manual or facsimile signatures and to cause the seal of the County to be impressed or printed thereon.
9. The Bonds and the interest thereon shall be payable primarily from the Contractual Payments received by the Board of Public Works on behalf of the County, for the payment of which the Local Units have in the Contract Supplement each pledged their limited tax full faith and credit pursuant to the provisions of the Act. Each of the Local Units has covenanted and agreed to levy taxes annually to the extent necessary to provide the funds to meet its respective Contractual Payments when due in anticipation of which the Bonds are issued, which taxes shall be subject to applicable charter, statutory and constitutional tax rate limitations. All of such Contractual Payments are hereby pledged solely and only for the payment of principal of and interest on the Bonds.
10. Pursuant to the authorization provided in the Act, the limited tax full faith and credit of the County is hereby pledged for the prompt payment of the principal of and interest on the Bonds as the same shall become due. If for any reason there are not sufficient funds on hand from the Contractual Payments to pay the principal of and interest on the Bonds when due, upon written notification by the Board of Public Works to the County Treasurer of the amount of such deficiency, the County Treasurer shall promptly deposit into the Debt Retirement Fund for the Bonds the amount of such deficiency out of general funds of the County. If it becomes necessary for the County to so advance any such moneys, it shall be entitled to reimbursement from any surplus from time to time existing in the fund which said principal and interest are primarily payable, or from any other legally available source. The County recognizes and covenants that its full faith and credit pledge hereunder is a first budget obligation, and, to the extent necessary to

provide funds to meet such pledge herein provided, it is obligated to levy ad valorem taxes against the taxable property in the County, which taxes, however, shall be subject to statutory and constitutional limitations.

11. It shall be the duty of the Board of Public Works, after the adoption of this resolution and the sale of the Bonds, to open a special depository account for this issue with a bank or trust company to be designated by the Board of Public Works to be designated Debt Retirement Fund - St. Clair County Water Supply System No. III-1999 Series B (Charter Townships of China and East China) General Obligation Water Plant Improvement Bonds, (together the "Debt Retirement Fund") into which fund, the Board of Public Works shall deposit the amount of any premium and accrued interest received upon delivery of the Bonds and all Contractual Payments as received, and into which account any advances made by the County pursuant to Section 9 of this resolution shall be deposited. The moneys from time to time on hand in the Debt Retirement Fund shall be used solely and only for the payment of the principal of and interest on the Bonds, or, to the extent of any surplus, to reimburse the County for any advances made pursuant to Section 10 hereof. The County shall have the right to invest moneys in the Debt Retirement Fund as provided in the Contract Supplement, which investments may be in obligations other than those of the depository bank or trust company only.
12. The operation, maintenance and administration of the System shall be under the jurisdiction and control of the St. Clair River Sewer and Water Authority and the acquisition and construction of the Project shall be under the overall jurisdiction and control of the Board of Public Works, as agent of the County, and the provisions in the Contract relative to such operation, maintenance and administration are hereby again recognized, approved and confirmed.

13. The Bonds which are sold to the Authority shall be in substantially the following form, with such revisions as the Chairman of the Board of Commissioners and the County Clerk and the Director of the Board of Public Works, or any of them, may determine to be necessary or desirable, permitted by law, and not materially adverse to the County. Section 13 of the Resolution is hereby amended to delete the request that the maturity schedule reflected on Schedule A thereto shall be deemed to be the maximum principal amount of the Prior Bonds which may mature per year. The maturity schedule for both the Prior Bonds and the Bonds may be adjusted by the Director of the Board of Public Works, upon the advice and direction of the County's financial advisor and bond counsel, provided the Authority consents to such modification:

[FORM OF BOND]

United States of America
State of Michigan
COUNTY OF ST. CLAIR
ST. CLAIR COUNTY WATER SUPPLY SYSTEM NO. III-1999 SERIES B
(CHARTER TOWNSHIPS OF CHINA AND EAST CHINA)
GENERAL OBLIGATION WATER PLANT IMPROVEMENT BONDS

REGISTERED OWNER: Michigan Municipal Bond Authority

PRINCIPAL AMOUNT: Nine Hundred Twenty Five Thousand Dollars
(\$925,000)

DATE OF ORIGINAL ISSUE: September 30, 1999

The County of St. Clair, State of Michigan (the "Issuer"), for value received, hereby promises to pay to the Michigan Municipal Bond Authority (the "Authority") the sum of Nine Hundred Twenty Five Thousand Dollars (\$925,000) Dollars or such portion thereof as shall have been advanced to the Issuer (the "Principal Amount") pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority, the Charter Townships of China and East China and the State of Michigan acting through the Department of Environmental Quality.

The Principal Amount shall payable on the dates and in the annual principal installment amounts set forth in Schedule A attached hereto and made a part hereof, as such Schedule may be adjusted if less than \$925,000 is disbursed to the Issuer or if a portion of the Principal Amount is prepaid as provided below, with interest on said principal installments from the date each said installment is delivered to the holder hereof until paid at the rate of two and one-half percent (2.50%) per annum. Interest is first payable on April 1, 2000 and semiannually thereafter on the first day of April and October of each year.

During the time the Principal Amount is being drawn down by the Issuer under this Bond, the Authority will periodically provide to the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding Principal Amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

Notwithstanding any other provision of this Bond, as long as the Authority is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at the corporate trust office of _____, Michigan, or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least 40 days prior to the date

on which such redemption is to be made.

In the event of a default in the payment of principal of interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

This Bond is payable primarily from the proceeds of contractual payments to be paid by the Charter Townships of China and East China, both located in the County of St. Clair, Michigan, to the Board of Public Works, acting for and on behalf of the Issuer, pursuant to a certain contract supplement dated August 11, 1999 (the "Contract Supplement"), between the Issuer and the Local Units, whereby said Board of Public Works, on behalf of the Issuer, is to construct water plant improvements and expansions, all of which is part of the St. Clair Water Supply System No. III -1999 Series (Charter Townships of China and East China). By the provisions of said Contract Supplement and pursuant to the authorization provided by law, the Local Units have each pledged their limited tax full faith and credit for the payment of their contractual obligations. The Issuer has irrevocably pledged to the payment of this issue of bonds the total contractual payments, which said total payments are established in the amount required to pay the principal of and interest on the bonds of this issue when due. As additional security for the payment of the bonds of this issue, the Issuer, pursuant to the provisions of Act 185, Public Acts of Michigan, 1957, as amended, and at least a three-fifths (3/5) vote of the members-elect of its Board of Commissioners, has pledged its limited tax full faith and credit for the prompt payment of the principal of and interest thereon. The full faith and credit pledges of the Local Units are limited tax general obligations of each severally, and each is required to pay its respective debt service commitments on the bonds as an limited tax first budget obligation from its general funds, including the collection of any ad valorem taxes which each is authorized to levy, subject to applicable constitutional, charter and statutory limitations. The obligation of the Issuer hereunder is a limited tax obligation and the ability of the Issuer to levy such taxes is subject to applicable statutory and constitutional limitations.

This Bond is a single, fully registered, nonconvertible bond issued in the principal sum indicated above, pursuant to a resolution duly adopted by the Board of Commissioners of the Issuer on August 11, 1999, and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 185, Public Acts of Michigan, 1957, as amended. For a complete statement of the funds from which and the conditions under which this bond is payable, and the general covenants and provisions pursuant to which this bond is issued, reference is made to the above described resolution.

Principal installments of this Bond are subject to prepayment prior to maturity only with the prior written consent of the Authority and on such terms as may be required by the Authority.

This Bond shall be registered as to principal and interest on the books of the Issuer kept by the Board of Public Works and may be transferred only upon surrender of this Bond by the registered owner of record in person, or by registered owner's attorney duly authorized in writing, to the Board of Public Works together with a written instrument of transfer satisfactory to the Board of Public Works duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this Bond, and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law precedent to and in the issuance of this bond, and the series of which this is one, have been done and performed in regular and due time and form as required by law.

IN WITNESS WHEREOF, the County of St. Clair, State of Michigan, by its Board of Commissioners, has caused this bond to be signed in the name of said County by the [manual/facsimile] signature of the Chairman of the Board of Commissioners and to be countersigned by the [manual/facsimile] signature of the County Clerk and a facsimile of the corporate seal of said County to be printed hereon, all as of the Date of Original Issue.

COUNTY OF ST. CLAIR

By _____
Chairman, Board of Commissioners

[SEAL]

County Clerk

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

SCHEDULE A

Repayment of the Principal Amount shall be made according to the following schedule until the full Principal Amount disbursed to the Issuer as shown on the Registration Grid is repaid, unless prepaid as provided in the Bond. In event that the Principal Amount disbursed to the Issuer is less than \$925,000 or in event of prepayment of the Bond, the Authority may prepare a new payment schedule which shall be approved by a resolution of the Board of Public Works.

<u>Principal Installment Due on April 1</u>	<u>Amount of Principal Installment</u>
2002	\$25,000
2003	25,000
2004	25,000
2005	25,000
2006	25,000
2007	25,000
2008	25,000
2009	50,000
2010	50,000
2011	50,000
2012	50,000
2013	50,000
2014	50,000
2015	75,000
2016	75,000
2017	75,000
2018	75,000
2019	75,000
2020	75,000

14. Nothing contained in this resolution or the Contract Supplement shall be construed to prevent the County from issuing additional bonds under the provisions of the Act for any of the purposes authorized by the Act, but any such bonds shall in no way have any lien on or be payable out of the Contractual Payments pledged to the payment of the Bonds of these authorized issues, except such additional bonds as may be necessary may be issued to complete the Project pursuant to the authorization provided in the Contract Supplement.
15. The proceeds of sale of both the Prior Bonds and the Bonds shall be deposited in a special depository account in a bank to be designated by the Board of Public Works, said account to be designated as the St. Clair County Water Supply System No. III-1999 Series (Charter Townships of China and East China) Bond Construction Fund" (hereinafter referred to as the "Construction Fund"). The moneys from time to time in such fund shall be used solely and only to pay costs of acquiring and constructing the Project. Any premium and accrued interest paid at the time of delivery of each series of the Bonds shall be deposited into the respective Debt Retirement Fund for the Bonds.
16. The provisions of this resolution, together with the Contract Supplement, shall constitute a contract between the County and the holder or holders of the Bonds from time to time, and after the issuance of the Bonds, no change, variation or alteration of the provisions of this resolution and the Contract Supplement may be made which would lessen the security for the Bonds. The provisions of this resolution and the Contract Supplement shall be enforceable by appropriate proceedings taken by such holder either at law or in equity.
17. The County covenants and agrees with the successive holders of the Bonds that so long as the Bonds remains outstanding and unpaid as to either principal or interest:

(a) The County and the Board of Public Works, as agency of the County, will punctually perform all of their obligations and duties under this resolution and the Contract Supplement, including all collection, segregation and application of the Contractual Payments in the manner required by the provisions of this resolution.

(b) The County and the Board of Public Works, as the agency of the County, will apply and use the proceeds of the sale of the Bonds for the purposes and in the manner required by the Contract Supplement and this resolution. The County will maintain and keep proper books of record and account relative to the application of funds for the construction of the Project and the Contractual Payments received pursuant to the Contract Supplement or monies advanced by the County. Not later than three (3) months after the end of each year, the Board of Public Works shall cause to be prepared a statement, in reasonable detail, sworn to by its chief accounting officer, showing the application of the proceeds of the sale of the Bonds, the cash receipts from the Contractual Payments or monies advanced by the County during such year, and the application thereof, and such other information as may be necessary to enable any taxpayer or any holder or owner of each series of the Bonds, or anyone acting in their behalf, to be fully informed as to all matters pertaining to the construction of the Project and application of funds therefor or for the payment of each series of the Bonds during such year. A certified copy of said statement shall be filed with the County Clerk and the Clerk of the Local Units.

(c) The County will take or abstain from taking all actions required by the Internal Revenue Code and regulations thereunder as may be necessary to retain for the interest on the bonds the exemption from direct federal income taxation, including specifically all actions and abstention from actions as required by the Non-Arbitrage and Tax Compliance Certificate and related documents furnished in connection with the Bonds.

18. The Authority's proposed form of Purchase Contract between the County and the Authority (the "Purchase Contract") and the proposed form of Supplemental Agreement among the County, the Authority, the Local Units and DEQ (the "Supplemental Agreement") which shall be placed on file with the County Clerk are hereby approved. Officers of the Board of Public Works are hereby jointly or severally authorized to execute and deliver the Purchase Contract and the Supplemental Agreement upon completion of the forms approved hereby with such revisions as they may determine to be necessary or desirable, permitted by law, and not materially adverse to the County. Officers of the Board of Public Works are hereby jointly or severally authorized to execute and deliver an Issuer's Certificate in the form provided by the Authority and other necessary closing documents in such form as said officers may determine to be necessary or desirable, permitted by law, and not materially adverse to the County.
19. The Board of Public Works is authorized to take any actions necessary to comply with requirements of the Authority and DEQ in connection with sale of the Bonds to the Authority. The Board of Public Works is authorized to execute and deliver such other certificates, documents, instruments, and other papers as may be required by the Authority or DEQ or as may be otherwise necessary or convenient to effect the delivery of the Bonds.
20. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are repealed.

21. This resolution shall become effective immediately upon its passage.

AYES: Members Dodge, Gittings, Keegan, Masters,
Quain, and Wismer

NAYS: Members None
Abstain: 1 Member Acciaratti; - Possible Conflict of Interest
RESOLUTION DECLARED ADOPTED.

Marisyn Dunn
County Clerk

DATED: August 11, 1999

Reviewed and Approved As to Form By:

Elwood L. Brown
ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

Don Wismer
Don E. Dodge
Lee Masters

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

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, State of Michigan, by the vote of at least 3/5 of its members elect, at a regular meeting held on August 11, 1999, 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.

County Clerk

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

DELIB:2046041.4078015-00077

**RESOLUTION APPROVING DPW CONTRACT SUPPLEMENT
AND BOND RESOLUTION**

Board of Public Works
County of St. Clair, State of Michigan

Minutes of a scheduled meeting of the Board of Public Works of the County of St. Clair, State of Michigan, held in said County on the 3rd day of August, 1999, at 7:00 o'clock P.m., Eastern Daylight Time.

PRESENT: Members William Blumerich, Leonard Hool, Timothy LaLonde

ABSENT: Members None

The following preamble and resolution were offered by Member LaLonde and supported by Member Hool:

WHEREAS, a contract supplement (the "Contract Supplement") providing for financing of the additional cost of the acquisition, construction, financing and operating of water plant improvements to serve the Charter Townships of China and East China (the "Project") has been negotiated with the Charter Townships of China and East China, both of the County of St. Clair, State of Michigan (the "Local Units"), and presented to this Board for its approval, a copy of which Contract Supplement is attached to this resolution and made a part hereof together with a bond resolution in connection therewith; and

WHEREAS, the Contract Supplement has been duly approved by separate resolutions of each of the legislative bodies of the Local Units and duly executed by each of the Local Units;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Contract Supplement between the County of St. Clair, State of Michigan, by and through its Board of Public Works, and the Local Units providing for financing the

additional cost of acquisition, construction and financing of the Project and the bond resolution in connection therewith are hereby approved, and the Secretary of this Board is authorized and directed to transmit such approval to the County Board of Commissioners with the recommendation of this Board that the Contract Supplement and the bond resolution be approved and adopted for and on behalf of the County.

2. This Board further specifically recommends that the limited tax full faith and credit of the County be pledged as secondary security for the bonds.

3. The Chairman and the Secretary of this Board are authorized and directed to execute the Contract Supplement for and on behalf of the County subject to approval and adoption thereof by the Board of Commissioners.

4. The Contract Supplement will become effective and binding in accordance with its terms upon execution and final approval and ratification thereof by the County Board of Commissioners, such final approval and ratification to be given by adoption by said Board of Commissioners of a resolution or resolutions authorizing the issuance of bonds of the County pursuant to the Contract Supplement.


5. The Director of the Board and the Chairman and the Secretary of this Board are each authorized to file a request for an exception from prior approval or an application for approval to issue the bonds or to seek all appropriate waivers from such approval and to pay the application fees with the Local Audit and Finance Division of the Michigan Department of Treasury.

6. All resolutions and parts of resolutions insofar as the same conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Blumerich, Hool, LaLonde

NAYS: Members None

RESOLUTION DECLARED ADOPTED.


Deputy Secretary, Board of Public Works

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Public Works of the County of St. Clair, State of Michigan, at a scheduled meeting held on August 3, 1999 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.


Deputy Secretary, Board of Public Works

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

DELIB:2043846.4\078015-00077

DPW CONTRACT SUPPLEMENT

THIS CONTRACT SUPPLEMENT, made and entered into as of this 11th day of August, 1999, by and among the COUNTY OF ST. CLAIR, a Michigan county corporation (the "COUNTY"), by and through its Board of Public Works, the CHARTER TOWNSHIP OF CHINA and the CHARTER TOWNSHIP OF EAST CHINA, both Michigan public corporations located in the COUNTY (each a "LOCAL UNIT" and together, the "LOCAL UNITS").

WITNESSETH:

WHEREAS, it is necessary for the public health and welfare of the present and future residents of the LOCAL UNITS that water plant improvements and expansions (the "Project") be constructed to meet the present and future requirements of each of the LOCAL UNITS; and

WHEREAS, the COUNTY, under the provisions of Act 185, Public Acts of Michigan, 1957, as amended (the "Act"), has established a Department of Public Works for the administration of the powers conferred upon the COUNTY by the Act, which Department is under the immediate control of the Board of Public Works (the "Board") and under the general control of the Board of Commissioners of the COUNTY; and

WHEREAS, the Act authorizes a county to acquire a water supply system as defined in the Act, and to improve, enlarge, extend and operate such system; and

WHEREAS, by the terms of the Act the COUNTY and the LOCAL UNITS are authorized to enter into a contract for the acquisition and financing of the Project and the payment of the cost thereof by the LOCAL UNITS, with interest, over a period of not exceeding forty (40) years, and the COUNTY is then authorized, pursuant to appropriate action by its Board of Commissioners, to issue one or more series of bonds of the COUNTY to provide the funds necessary therefor, secured primarily by the full faith and credit contractual obligations of the LOCAL UNITS and secondarily by the full faith and credit pledge of the COUNTY if duly authorized by appropriate resolution of its Board of Commissioners; and

WHEREAS, the Act provides the most practicable and economic method and means for acquiring and financing the Project so vitally necessary for the public health and welfare of the residents of the COUNTY residing in the LOCAL UNITS to be served, and financing under the Act is expected to result in the lowest cost for the money necessary to be borrowed for such purpose; and

WHEREAS, plans and an estimate of cost for the Project were prepared by Wade Trim, engineers of Taylor, Michigan (the "Engineers"), which said estimate of cost totals was not to exceed \$7,500,000; and

WHEREAS, because of increased construction bids received by the COUNTY, the total cost of the Project is now \$8,425,000; and

WHEREAS, the COUNTY has, pursuant to a Contract between the COUNTY and the LOCAL UNITS, dated as of March 25, 1999 (the "Contract"), authorized its \$7,500,000 Water Supply System No. III - 1999 Series (Charter Townships of China and East China) General Obligation Water Plant Improvement Bonds to pay the estimated cost of the Project; and

WHEREAS, because of such increased construction bids, it is now necessary to enter into this Contract Supplement to provide for the additional issuance of bonds of the COUNTY in a principal amount of \$925,000 to pay the remaining share of the cost of the Project; and

NOW, THEREFORE, in consideration of the premises and the covenants of each other, the parties hereto agree as follows:

1. The COUNTY and the LOCAL UNITS again approve the acquisition and construction of the Project as the St. Clair County Water Supply System No. III-1999 Series, (Charter Townships of China and East China) (the "System") under the provisions of the Act, the Project consisting generally of water plant improvements and expansions together with all necessary and related rights in land, appurtenances and attachments, which Project and the area to be served thereby are more specifically set out in the plans for the Project prepared by the Engineers and referred to in the preamble hereto.

2. Each LOCAL UNIT again hereby consents to the use by the COUNTY of the public streets, alleys, lands and rights-of-way in the LOCAL UNITS for the purpose of constructing, operating and maintaining the Project and any improvements, enlargements and extensions thereto.

3. The Project is designed to serve the LOCAL UNITS and the users of the System and is immediately necessary to protect and preserve the public health, and each LOCAL UNIT does, by these presents, again consent to the furnishing of water supply service, as provided in the Contract, to the individual users of the LOCAL UNITS. All parties specifically agree, however, that the COUNTY shall not have the right to take over operation of the Project and serve individual customers directly, the COUNTY being limited to other remedies prescribed in this Contract in the event of any default hereunder by the LOCAL UNITS.

4. The Board and the LOCAL UNITS hereby approve and confirm the plans for the Project prepared by the Engineers and the final estimated cost thereof in the sum of \$8,425,000. Said estimated cost includes all surveys, plans, specifications, acquisition of property for rights-of-way, physical construction necessary to acquire and construct the Project, the acquisition of all materials, machinery and necessary equipment, and engineering, engineering supervision, administrative, legal and financing expenses necessary in connection with the acquisition and construction of the Project and the financing thereof.

5. All provisions of the Contract relating to the construction of the Project and the operation thereof shall be as provided in the Contract.

6. To provide for the construction and financing of the additional costs of the Project in accordance with the provisions the Act, the Board shall take the following steps:

(a) The Board will submit to the Board of Commissioners of the COUNTY an additional resolution providing for the issuance of a series of bonds in the aggregate principal amount of Nine Hundred Twenty Five Thousand Dollars (\$925,000), to finance the additional cost of the Project. Said bonds shall mature serially, as authorized by law, and shall be secured primarily by the contractual obligations of the LOCAL UNITS to pay the annual installments due, plus interest, as hereinafter provided in this Contract, and secondarily, if approved by at least a three-fifths (3/5) majority of the members of the Board of Commissioners, by the limited tax full faith and credit of the COUNTY. After due adoption of the resolution, the Board will take all steps necessary to effectuate the sale and delivery of the bonds.

(b) The Board shall take all steps necessary to enter into and execute a final construction contract for the acquisition and construction of the Project as specified and approved in the Contract and in this Contract Supplement in accordance with the plans and specifications therefor as approved by the Contract and in this Contract Supplement. Said contracts shall specify a completion date agreeable to the LOCAL UNITS.

(c) The Board will require and procure from the contractor or contractors undertaking the actual construction and acquisition of the Project necessary and proper bonds to guarantee the performance of the contract or contracts and such labor and material bonds as may be required by law, in such amount and such form as may be approved by the Board.

(d) The Board upon receipt of the proceeds of sale of both series of the bonds will comply with all provisions and requirements provided for in the resolutions authorizing the issuance of both series of the bonds and the Contract and this Contract Supplement relative to the disposition and use of the proceeds of sale of both series of the bonds.

(e) The COUNTY may temporarily invest any bond proceeds or other funds held by it for the benefit of the LOCAL UNITS as permitted by law, and investment income shall accrue to and follow the fund producing such income. Neither the COUNTY nor the LOCAL UNITS shall invest, reinvest, or accumulate any moneys deemed to be proceeds of the bonds pursuant to applicable federal law and regulations, in such a manner as to cause the bonds to be "arbitrage bonds" within the meaning of said law and regulations.

7. The cost of the Project to be financed by the issuance of the aforesaid bonds shall be charged to and paid by the LOCAL UNITS to the Board in the manner and at the times herein set forth. The principal amount thereof (not to exceed \$925,000) shall be paid to the Board in annual principal installments, plus interest and other expenses as hereinafter provided, on March 1st of each year (or such other dates as may be finally determined by the COUNTY), tentatively as follows:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
2002	\$25,000	2012	\$50,000
2003	25,000	2013	50,000
2004	25,000	2014	50,000
2005	25,000	2015	75,000
2006	25,000	2016	75,000
2007	25,000	2017	75,000
2008	25,000	2018	75,000
2009	50,000	2019	75,000
2010	50,000	2020	75,000
2011	50,000		

Each LOCAL UNIT shall pay its Local Unit Share (as hereinafter defined) of each payment required to be made by the LOCAL UNITS to the Board pursuant to this Section 7 of this Contract Supplement. "Local Unit Share" means for each LOCAL UNIT, the percentage of each payment, as follows:

Charter Township of East China	67.88%
Charter Township of China	32.12%

It is understood and agreed that the bonds of the COUNTY hereinbefore referred to will be issued in anticipation of the above contractual obligation, with principal maturities on April 1st of each year, commencing with the year 2002, corresponding to the principal amount of the above installments, and the LOCAL UNITS shall also pay to the Board in addition to said principal installments, on March 1st and September 1st of each year, commencing March 1, 2000, or such earlier or later date as provided in the purchase contract between the COUNTY and the Michigan Municipal Bond Authority ("MMBA"), as accrued interest on the principal amount remaining unpaid, an amount sufficient to pay all interest due on the next succeeding interest payment date (April 1st and October 1st, respectively) on said COUNTY bonds from time to time outstanding. (In the event the payment dates on the bonds of the COUNTY are changed to meet the requirements of MMBA, the payment dates set forth in this Section 7 shall be adjusted accordingly and the COUNTY acting through the Board shall so advise the LOCAL UNITS.) In addition, the maturity schedule set forth above may be adjusted by the COUNTY to comply with the requirements of the MMBA.

Notwithstanding any provision of the foregoing paragraph, in the event the Michigan Department of Environmental Quality ("MDEQ") determines that less than 100% of the Project qualifies for financing under its Drinking Water Revolving Fund ("DWRF") program, then the Board on behalf of the COUNTY may provide for the issuance and sale of the bonds in more than 2 series. Two series of bonds may be sold to the MMBA as part of the DWRF program and the other series may be sold by competitive or negotiated sale as authorized by law. In the event two or more series of bonds are issued, then the amounts of the annual principal installments may be adjusted by the Board and the principal and interest payment dates related to a second series of bonds may be the same as or different from the principal and interest payment dates related to bonds sold to the MMBA. The Board shall notify the LOCAL UNITS of such adjustments as provided in Section 8 hereof.

From time to time as the Board is billed by the paying agent for the bonds to be issued for its services as paying/transfer agent/registrant for the bonds, and as other costs and expenses accrue to the Board from handling of the payments made by the LOCAL UNITS, or from other actions taken in connection with the Project, the Board shall promptly notify the LOCAL UNITS of the amount of such paying agent fees and other costs and expenses, and the LOCAL UNITS shall promptly remit to the Board sufficient funds to meet such fees and other costs and expenses.

Should cash payments be required from the LOCAL UNITS in addition to the amounts specified in the preceding paragraph to meet costs of constructing the Project, the LOCAL UNITS shall, upon written request by the Board, furnish to the Board written evidence of its agreement and ability to make such additional cash payments, and the Board may elect not to proceed with the acquisition or financing of the Project until such written evidence satisfactory to the Board, has been received by it. The LOCAL UNITS shall pay to the Board such additional cash payments within thirty (30) days after written request for such payment has been delivered by the Board to the LOCAL UNITS.

8. The Board shall, within thirty (30) days after the delivery of the COUNTY bonds hereinbefore referred to, furnish the LOCAL UNITS with a complete schedule of maturities of principal and interest thereon, and the Board shall also, at least thirty (30) days prior to each principal and/or interest installment due date, advise the LOCAL UNITS, in writing, of the exact amount of principal and/or interest due on the COUNTY bonds on the next succeeding bond principal and/or interest due

date, and payable by the LOCAL UNITS on the first day of the month immediately preceding, as hereinbefore provided. Failure of the Board to notify the LOCAL UNITS of any such payment shall not relieve the LOCAL UNITS of the obligation to make such payment.

If any principal installment or interest is not paid when due, the amount not so paid shall be subject to a penalty, in addition to interest, of one percent (1%) thereof for each month or fraction thereof that the same remains unpaid after the due date.

9. Each of the LOCAL UNITS, pursuant to authorization of Section 12 of the Act, hereby irrevocably pledges its limited tax full faith and credit for the prompt and timely payment of its obligations pledged for bond payments as expressed in this Contract Supplement. Pursuant to such pledge, if other funds are not available, the LOCAL UNITS shall be required to pay such amounts from any of its general funds as a first budget obligation and shall each year levy an ad valorem tax on all the taxable property in the LOCAL UNITS subject to applicable constitutional, charter and statutory tax rate limitations, in an amount which, taking into consideration estimated delinquencies in tax collections, will be sufficient to pay such obligations under this Contract becoming due before the time of the following year's tax collections. The foregoing commitments of each LOCAL UNIT are expressly recognized as being for the purpose of providing funds to meet the contractual obligations of the LOCAL UNITS in anticipation of which the bond of the COUNTY hereinbefore referred to are issued. Nothing herein contained shall be construed to prevent each LOCAL UNIT from using any, or any combination of, the means and methods provided in Section 12 of the Act for the purpose of providing funds to meet its obligations under this Contract Supplement, and if at the time of making the annual tax levy there shall be other funds on hand earmarked and set aside for the payment of the contractual obligation due prior to the next tax collection period, then such annual tax levy may be reduced by such amount.

10. Each LOCAL UNIT may pay in advance any of the payments by the LOCAL UNIT required to be made by this Contract Supplement, in which event the Board shall credit the LOCAL UNITS with such advance payment on future-due payments to the extent of such advance payment, or use such advances to call bonds, without credit.

11. Each LOCAL UNIT may pay additional moneys over and above any of the payments specified in this Contract Supplement, with the written request that said additional funds be used to call bonds for redemption prior to maturity, in which event the Board shall be obligated to apply and use said moneys for such purpose to the fullest extent possible. Such moneys shall not then be credited as advance payments under the provisions of Section 10 of this Contract Supplement.

12. In the event a LOCAL UNIT shall fail for any reason to pay to the Board at the times specified the amounts required to be paid by the provisions of this Contract Supplement, the Board shall immediately give notice of such default and the amount thereof, in writing, to the LOCAL UNIT'S Treasurer, the Treasurer of the COUNTY, the Treasurer of the State of Michigan, and such other officials charged with disbursement to the LOCAL UNIT of funds returned by the State and now or hereafter under the Act available for pledge as provided in this Section and in Section 17 of the Act, and if such default is not corrected within ten (10) days after such notification, the State Treasurer, or other appropriate official charged with disbursement to the LOCAL UNIT of the aforesaid funds, is, by these presents, specifically authorized by the LOCAL UNIT, to the extent permitted by law, to withhold from the aforesaid funds the maximum amount necessary to cure said deficit and to pay said sums so withheld to the Board, to apply on the obligations of the LOCAL UNIT as herein set forth. Any such moneys so

withheld and paid shall be considered to have been paid to the LOCAL UNITS within the meaning of the Michigan Constitution and statutes, the purpose of this provision being to voluntarily pledge and authorize the use of said funds owing to the LOCAL UNITS to meet any past-due obligations of a LOCAL UNIT due under the provisions of this Contract Supplement. In addition to the foregoing, the Board shall have all other rights and remedies provided by law to enforce the obligations of the LOCAL UNITS to make their payments in the manner and at the times required by this Contract, including the right of the COUNTY to direct the LOCAL UNITS to make a tax levy or rate increase to reimburse the COUNTY for any funds advanced. The LOCAL UNITS will not take any action to reduce the right of the COUNTY to receive the aforesaid state-returned moneys in the event of default.

13. It is specifically recognized by the LOCAL UNITS that the debt service payments required to be made by them pursuant to the terms of Section 7 of this Contract Supplement are to be pledged for and used to pay the principal of and interest on the bonds to be issued by the COUNTY, as provided by this Contract Supplement and authorized by law, and each LOCAL UNIT covenants and agrees that it will make all of its required payments to the Board promptly and at the times specified herein without regard to whether the Project is actually completed or placed in operation.

14. After completion of the Project and payment of all costs thereof, any surplus remaining from the proceeds of sale of the bonds shall be used by the Board for either of the following purposes, at the option of and upon request made by resolution of each of the LOCAL UNITS, to wit: (a) for additional water supply system improvements to the System, or (b) credited by the Board toward the next payments due the Board by the LOCAL UNITS hereunder or under the Contract.

15. The obligations and undertakings of each of the parties to this Contract Supplement shall be conditioned on the successful issuance and sale of bonds pursuant to the Act, and if for any reason whatsoever said bonds are not issued and sold within three (3) years from the date of this Contract Supplement, this Contract Supplement, except for payment of preliminary expenses and ownership of engineering data, shall be considered void and of no force and effect. In the event that said bonds are not issued and sold, all preliminary legal and engineering costs shall be paid by the LOCAL UNITS, and the LOCAL UNITS shall have ownership, possession and use of all plans and specifications, surveys and other engineering data and materials prepared.

16. The Board and the LOCAL UNITS each recognize that the holders from time to time of the bonds issued by the COUNTY under the provisions of the Act to finance a portion of the costs of the Project will have contractual rights in this Contract Supplement, and it is therefore covenanted and agreed by each of them that so long as any of said bonds shall remain outstanding and unpaid, the provisions of this Contract Supplement shall not be subject to any alteration or revision which would in any manner materially affect either the security of the bonds or the prompt payment of principal or interest thereon. The LOCAL UNITS and the Board further covenant and agree that they will each comply with their respective duties and obligations under the terms of this Contract Supplement promptly at the times and in manner herein set forth, and will not suffer to be done any act which would in any way impair the said bonds, the security therefor, or the prompt payment of principal and interest thereon. It is hereby declared that the terms of this Contract Supplement, insofar as they pertain to the security of any such bonds, shall be deemed to be for the benefit of the holders of said bonds.

17. This Contract Supplement shall remain in full force and effect for a period of forty (40) years from the date hereof, or until such time as all bonds issued by the COUNTY to finance the Project are paid in full. At such time within said forty-year term as all of said bonds are paid, this Contract

Supplement shall be terminated and ownership of the Project shall revert to the AUTHORITY, unless at that time there are other bonds outstanding of the COUNTY relative to the System or there are other Contract Supplement arrangements among the LOCAL UNITS and the COUNTY. In any event, the obligations of the LOCAL UNITS to make payments required by Section 7 of this Contract Supplement shall be terminated at such time as all of said bonds are paid in full, together with any deficiency or penalty thereon.

18. The parties hereto hereby expressly agree that the COUNTY shall not be liable for and the LOCAL UNITS shall pay, indemnify and save the COUNTY harmless of, from and against all liability of any nature whatever regardless of the nature in which such liability may arise, for any and all claims, actions, demands, expenses, damages, and losses of every conceivable kind, whatsoever (including, but not limited to, liability for injuries to or death of persons and damages to or loss of property) asserted by or on behalf of any person, firm, corporation or governmental authority arising out of, resulting from, or in any way connected with ownership, acquisition, construction, operation, maintenance and repair of the Project, this Contract Supplement, or the issuance, sale and delivery of the bonds herein described. It is the intent of the parties that the COUNTY be held harmless by the LOCAL UNITS from liability for such claim, actions, demands, expenses, damages and losses, however caused or however arising including, but not limited to, to the extent prohibited by law, such claims, actions, demands, expenses, damages and losses even though caused, occasioned or contributed to by negligence, sole or concurrent, of the COUNTY or by negligence for which the COUNTY may be held liable. In any action or proceeding brought about by reason of any such claim or demand, the LOCAL UNITS will also pay, indemnify and save the COUNTY harmless from and against, all costs, reasonable attorneys' fees, and disbursements of any kind or nature incidental to or incurred in said defense, and will likewise pay all sums required to be paid by reason of said claims, demands or any of them, in the event it is determined that there is any liability on the part of the COUNTY. Upon the entry of any final judgment by a court of competent jurisdiction or a final award by an arbitration panel against the COUNTY on any claim, action, demand, expense, damage or loss contemplated by this Section and notwithstanding that the COUNTY has not paid the same, the LOCAL UNITS shall be obligated to pay to the COUNTY upon written demand therefor, the amount thereof not more than sixty (60) days after such demand is made. In the event that any action or proceeding is brought against the COUNTY by reason of any such claims or demands, whether said claims or demands are groundless or not, the LOCAL UNITS shall upon written notice and demand from the COUNTY, resist and defend such action or proceeding in behalf of the COUNTY but will not settle any such action in the proceeding without written consent of the COUNTY. Notwithstanding the foregoing, nothing contained in this Section shall be construed to indemnify or release the COUNTY against or from any liability which it would otherwise have arising from the wrongful or negligent actions or failure to act on the part of the COUNTY'S employees, agents or representatives with respect to matters not related to the ownership, acquisition, construction, operation, maintenance or repair of the Project, this Contract Supplement or the issuance, sale or delivery of the bonds herein described.

The COUNTY will require or procure from the contractor or contractors undertaking the actual construction of the Project insurance protecting both the LOCAL UNITS and the COUNTY (including the Board) from liability in connection with such construction. The cost of such insurance shall be considered to be a part of the cost of the Project.

19. This Contract Supplement shall inure to the benefit of and be binding upon the respective parties hereto, their successors and assigns.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

20. This Contract Supplement shall become effective upon approval by the legislative body of each LOCAL UNIT, by the Board of Public Works of the COUNTY and by the Board of Commissioners of the COUNTY, and when duly executed by the Supervisor and the Township Clerk of the CHARTER TOWNSHIP OF CHINA, by the Supervisor and Township Clerk of the CHARTER TOWNSHIP OF EAST CHINA and by the Chairman and the Secretary of the Board of Public Works for and on behalf of the COUNTY. This Contract Supplement may be executed in several counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the date and year first above written.

COUNTY OF ST. CLAIR
By the Board of Public Works

By: William Blumens
Chairman

By: Timothy J. LaBorde
Secretary

CHARTER TOWNSHIP OF CHINA

By: Ernie J. Schwall
Chairman

By: Julie J. Kellon
Secretary

CHARTER TOWNSHIP OF EAST CHINA

By: Pat C. Smith
Chairman

By: Sandra A. Smith
Secretary

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

RESOLUTION APPROVING DPW CONTRACT SUPPLEMENT

Charter Township of China
County of St. Clair, State of Michigan

Minutes of a special meeting of the Township Board of the Charter Township of China, County of St. Clair, State of Michigan, held on the 28 day of July, 1999 at 7:00 o'clock p.m., Eastern Daylight Time.

PRESENT: Supervisor Schwehofer, Clerk Wallace, Treasurer Markel,
Trustees Allen and Green.

ABSENT: Trustees Lindsay and Neiman

The following preamble and resolution offered by Wallace and supported by Allen:

WHEREAS, the Charter Township of China, County of St. Clair, State of Michigan (the "Local Unit"), has requested the Board of Public Works of the County of St. Clair (the "Board"), acting on behalf of the County of St. Clair (the "County"), to take the necessary steps under the provisions of Act 185, Public Acts of Michigan, 1957, as amended, to finance the additional cost of acquiring, constructing and financing water plant improvements and expansions (the "Project") to service the Local Unit and the Charter Township of East China ("East China"); and

WHEREAS, the additional costs of the Project are presently estimated to be not less than \$925,000; and

WHEREAS, the Board, the Local Unit and East China have negotiated a contract supplement (the "Contract Supplement") providing for financing the additional cost of the Project, by the terms of which Contract Supplement the Local Unit and East China are each obligated to pay their respective portion of the additional cost of the Project to be financed by the County in installments as therein

MILLER, CAMBER & PUDOCK AND STONE, P.L.C.

provided, a copy of which Contract Supplement is attached to this resolution and incorporated herein by reference; and

WHEREAS, the Project as described in the Contract Supplement is immediately necessary to protect and preserve the public health; and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Contract Supplement among the County, by and through the Board, the Local Unit and East China providing for the additional cost of the acquisition, construction and financing of the Project is hereby approved, and the Supervisor and the Township Clerk of the Local Unit are authorized and directed to execute the Contract Supplement for and on behalf of the Local Unit.

2. The total estimated additional cost of the Project, as submitted by the consulting engineers in the amount of not less than \$925,000, is hereby approved.

3. The Local Unit does hereby ratify and confirm its covenant in the Contract Supplement to levy ad valorem taxes against all taxable property in the Local Unit, subject to applicable constitutional, charter and statutory tax rate limitations to the extent necessary to meet the obligations of the Local Unit thereunder and does further indicate its purpose and intent to make such a levy as necessary to meet such obligations.

4. The Contract Supplement shall become binding and effective upon the approval thereof by resolution of the Board of Commissioners of the County and execution thereof for the County by the Board and upon the approval thereof by resolution of the Township Board of East China and execution thereof by East China's designated officials.

5. The Local Unit will take or abstain from taking all actions required by the Internal Revenue Code of 1986, as amended, and the regulations thereunder, including but not limited to actions relating to any required rebate of arbitrage earnings and the expenditures and investment of bond proceeds and moneys deemed to be bond proceeds.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

6. The Local Unit acknowledges that the financing of the Project will require the issuance of two series of bonds by the County. The Local Unit hereby authorizes the Board acting on behalf of the County to notify the Michigan Department of Treasury of the County's intent to issue both series of bonds, to pay the related fee or fees from funds to be received from the Local Unit and East China and to request an exception for each issue of the bonds from prior approval by the Department of Treasury. The Supervisor, Treasurer and Clerk of the Local Unit are each authorized to notify the Department of Treasury of the Local Unit's participation in both of the bond issues described herein and the delivery of the documentation necessary or convenient to issue each series of bonds, including any waivers in connection therewith.

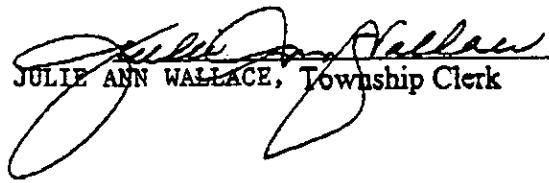
7. The law firm of Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield") has represented the Township as bond counsel in the past and has worked with the Township in connection with the Project. The Township consents to the representation of the County by Miller Canfield in connection with the Project and its financing and acknowledges that Miller Canfield is not representing the Township in connection with the Project and its financing.

8. All resolutions and parts of resolutions insofar as the same conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Markel, Schwehofer, Wallace, Green, Allen

NAYS: Members None

RESOLUTION DECLARED ADOPTED.


JULIE ANN WALLACE, Township Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Township Board of the Charter Township of China, County of St. Clair, State of Michigan, at a special meeting held on July 28, 1999, 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.


 JULIE ANN WALLACE, Township Clerk

DELIB:2043851.4078015-00077

SELLER, CANFIELD, PADDOCK AND STONE, P.L.C.

RESOLUTION APPROVING DPW CONTRACT SUPPLEMENT

Charter Township of East China
County of St. Clair, State of Michigan

Minutes of a regular meeting of the Township Board of the Charter Township of East China, County of St. Clair, State of Michigan, held on the 2nd day of August, 1999 at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Parcell, Light, Randolph, Barker, Horn, Beaudua, and Smith.

ABSENT: None

The following preamble and resolution offered by Smith and supported by Beaudua:

WHEREAS, the Charter Township of East China, County of St. Clair, State of Michigan (the "Local Unit"), has requested the Board of Public Works of the County of St. Clair (the "Board"), acting on behalf of the County of St. Clair (the "County"), to take the necessary steps under the provisions of Act 185, Public Acts of Michigan, 1957, as amended, to finance the additional cost of acquiring, constructing and financing water plant improvements and expansions (the "Project") to service the Local Unit and the Charter Township of China ("China"); and

WHEREAS, the additional costs of the Project are presently estimated to be not less than \$925,000; and

WHEREAS, the Board, the Local Unit and China have negotiated a contract supplement (the "Contract Supplement") providing for financing the additional cost of the Project, by the terms of which Contract Supplement the Local Unit and China are each obligated to pay their respective portion of the additional cost of the Project to be financed by the County in installments as therein provided, a copy of

which Contract Supplement is attached to this resolution and incorporated herein by reference; and

WHEREAS, the Project as described in the Contract Supplement is immediately necessary to protect and preserve the public health; and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Contract Supplement among the County, by and through the Board, the Local Unit and China providing for the acquisition, construction and financing of the additional costs of the Project is hereby approved, and the Supervisor and the Township Clerk of the Local Unit are authorized and directed to execute the Contract Supplement for and on behalf of the Local Unit.

2. The total estimated additional cost of the Project, as submitted by the consulting engineers in the amount of not less than \$925,000, is hereby approved.

3. The Local Unit does hereby ratify and confirm its covenant in the Contract Supplement to levy ad valorem taxes against all taxable property in the Local Unit, subject to applicable constitutional, charter and statutory tax rate limitations to the extent necessary to meet the obligations of the Local Unit thereunder and does further indicate its purpose and intent to make such a levy as necessary to meet such obligations.

4. The Contract Supplement shall become binding and effective upon the approval thereof by resolution of the Board of Commissioners of the County and execution thereof for the County by the Board and upon the approval thereof by resolution of the Township Board of China and execution thereof by China's designated officials.

5. The Local Unit will take or abstain from taking all actions required by the Internal Revenue Code of 1986, as amended, and the regulations thereunder, including but not limited to actions relating to any required rebate of arbitrage earnings and the expenditures and investment of bond proceeds and moneys deemed to be bond proceeds.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

6. The Local Unit acknowledges that the financing of the Project will require the issuance of two series of bonds by the County. The Local Unit hereby authorizes the Board acting on behalf of the County to notify the Michigan Department of Treasury of the County's intent to issue both series of bonds, to pay the related fee or fees from funds to be received from the Local Unit and China and to request an exception for each issue of the bonds from prior approval by the Department of Treasury. The Supervisor, Treasurer and Clerk of the Local Unit are each authorized to notify the Department of Treasury of the Local Unit's participation in either or both of the bond issues described herein and the delivery of the documentation necessary or convenient to issue each series of bonds, including any waivers in connection therewith.

7. The law firm of Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield") has represented the Township as bond counsel in the past and has worked with the Township in connection with the Project. The Township consents to the representation of the County by Miller Canfield in connection with the Project and its financing and acknowledges that Miller Canfield is not representing the Township in connection with the Project and its financing.

8. All resolutions and parts of resolutions insofar as the same conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES Members Parcell, Light, Randolph, Barker, Horn, Beaudua, and Smith

NAYS: Members None

RESOLUTION DECLARED ADOPTED.

Sandra G. Smith
Township Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Township Board of the Charter Township of East China, County of St. Clair, State of Michigan, at a regular meeting held on August 2, 1999, 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.

Sandra A. Smith

Township Clerk

DELIB:2043854.4\078015-00077

BOARD OF COUNTY COMMISSIONERS
COUNTY OF ST. CLAIR

RESOLUTION APPROVING

CITY OF ALGONAC/CLAY AND IRA TOWNSHIPS PROJECT

Minutes of a regular meeting of the Board of Commissioners of the County of St. Clair, Michigan, held in the County Administration Building on the ¹¹~~28~~^{August} day of ~~July~~, 1999, at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Members Acciavatti, Dodge, Gittings, Masters, Quain,
Wismer and Keegan

ABSENT: Members None

The following preamble and resolution were offered by Member Dodge and supported by Member Masters.

WHEREAS, the City of Algonac and the Townships of Clay and Ira (each a "Local Unit" and together, the "Local Units") have presented to the St. Clair County Board of Public Works (the "DPW") a request that the County of St. Clair (the "County") through the DPW issue bonds in one or more series in the aggregate total amount not to exceed \$3,000,000, payable from contractual payments to be made by the Local Units to the County through the DPW and secured secondarily by a pledge of the County's limited tax full faith and credit, said bonds to finance costs of acquiring, constructing, financing and operating necessary sewage disposal system improvements to service the Local Units (the "Project"); and

WHEREAS, the DPW has reviewed said request and the financial and engineering aspects of the Project and has determined the same to be feasible if undertaken by the County and said Project is within the scope of the authority of the County and the DPW but is not

financially desirable to be undertaken by the Local Units alone, and to be necessary for the public health, safety and welfare specifically of the Local Units and its inhabitants and generally of the County; and

WHEREAS, the DPW has recommended to this Board that the Project be given tentative approval and that the Board of Public Works be authorized to undertake initial steps toward the financing and construction of the Project, subject, however, to certain conditions;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This Board does hereby give its initial and tentative approval to the aforesaid Project and does authorize the DPW to undertake the financing and construction of the Project, subject, however, to final approval of this Board upon submission to this Board of the documents evidencing agreement between the Local Units and the DPW acting for and on behalf of the County for the acquisition, construction, financing and operation of the Project. The Local Units will pledge their limited tax, full faith and credit to the payment of the Local Units' contractual obligations to the County, requiring the Local Units to levy taxes annually to the extent necessary to provide funds to meet all or part of such contractual obligations when due.

2. The DPW shall contract or cause the Local Units to contract for the necessary engineering services to determine specifications and draw plans for the Project and shall enter into negotiations with the Local Units and other parties involved for the execution of contracts covering the acquisition, construction, financing and operation of the Project.

3. The DPW shall employ the following consultants already working with the Local Units or the County in connection with the completion of the Project:

As Bond Counsel: Miller, Canfield, Paddock and Stone,P.L.C.
Detroit, Michigan

As Financial Consultants: Stauder, Barch & Associates, Inc.
Ann Arbor, Michigan

As Engineers: McNamee, Porter & Seeley (Pump Station Improvements)
Detroit and Ann Arbor, Michigan

Hubbell, Roth and Clark (Outfall Improvements)
Bloomfield Hills, Michigan

4. This Board hereby estimates the total cost of constructing the Project to be not more than \$3,000,000 including all engineering fees, financing costs and contingencies, such estimate is subject, however, to revision upon submission of final cost estimates or receipt of bids for the Project.

5. All agreements between the DPW and the Local Units shall be subject to final approval and ratification by this Board.

6. This Board hereby approves the advancement of funds from the Local Units in order to commence promptly the Project necessary for the public health and later reimbursement to the Local Units from bond proceeds.

7. The DPW is hereby authorized through its the Director, Chairman and Secretary, to (a) execute and file the necessary orders, applications and supporting documents with the Michigan Department of Treasury to obtain an order of prior approval or an order providing exception from prior approval for the bonds and (b) execute and file the necessary documents with the Michigan Department of Environmental Quality.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Dodge, Gittings, Masters, Wismer
and Keegan

ABSENT: Members None

NAYS: Members Quain

ABSTAIN: Member Acciaratti - Possible Conflict of Interest
RESOLUTION DECLARED ADOPTED.

Marilyn Durr
Secretary

DATED: August 11, 1999

Reviewed and Approved as To Form By:

[Signature]

ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

[Signature]

[Signature]

[Signature]

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

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 a regular meeting held on July 28, 1999, 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.

Secretary

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

DELIB:2085081.1\078011-00021

RESOLUTION 99-25

RESOLUTION TO ABOLISH THE CURRENT AIRPORT COMMISSION AND ADVISORY BOARD AND ESTABLISH AN AERONAUTICS BOARD (AB) TO ADVISE AND ASSIST THE BOARD OF COMMISSIONERS AND ADMINISTRATOR IN ESTABLISHING A POLICY AND PROCEDURE FOR THE AIRPORT

WHEREAS, the reasons set forth for establishing a County Airport and a County Airport Commission by this Board in its Resolution of April 18, 1956 are still valid; and

WHEREAS, in that resolution the St. Clair County Board of Road Commissioners was delegated the powers and duties set out in the State Aeronautics Act, specifically being section 259.133 of the Michigan Compiled Laws, and the Road Commissioners, and their successors, were appointed to be the St. Clair County Airport Commission; and

WHEREAS, in Resolution 97-35 this Board rescinded its Resolution of April 18, 1956, to the extent that the County Road Commission was designated as the Airport Commission, and created the St. Clair County International Airport Commission in the belief that such a change would revitalize the Airport Commission and better enable it to carry out the operation of the St. Clair County International Airport to the greater benefit of citizens of St. Clair County in general and the users of the Airport in particular; and

WHEREAS, the experience of the past two years has demonstrated the potential of the Airport, but has also demonstrated the need for more centralized control and management of the Airport's facilities and operations.

NOW, THEREFORE, BE IT RESOLVED, that Resolution 97-35 Creating the St. Clair County International Airport Commission and designating it as the public body or board to assume the powers and carryout the duties specified under the State Aeronautics Act, being MCL 259.133, and Resolution 98-27 Establishing a 5 Member Board and Designating terms of office, are rescinded, and the St. Clair County International Airport Commission is hereby abolished; and

BE IT FURTHER RESOLVED, that the St. Clair County Airport Advisory Committee is also abolished; and

BE IT FURTHER RESOLVED, that effective with the adoption of this Resolution the powers and duties set out in the State Aeronautics Act, being in particular those duties set out in Section 259.133 of the Michigan Compiled Laws, are vested in the St. Clair County Board of Commissioners and specifically delegated by this Board to the County Administrator; and

BE IT FURTHER RESOLVED, that there is now created the St. Clair County Aeronautics Board to be composed of four (4) members of the general public, appointed by the Chairperson of this Board, with the consent of a majority of the other Commissioners, and at least one (1) member of this Board appointed by the Chairperson of this Board, with the consent of a majority of the other Commissioners; and

BE IT FURTHER RESOLVED, that the terms of the members from the general public shall be for staggered terms of three years with one member initially appointed for a term of one year, one member initially appointed for a term of two years, and two members initially appointed for terms of three years, said terms to commence 1 October 1999; and

BE IT FURTHER RESOLVED, that three members of the general public shall be appointed from the geographic areas set forth on the Road Commission Map in accordance with the current policy of this Board (Resolution 84-29); with the fourth general public member to be appointed from the County At Large.

BE IT FURTHER RESOLVED that the general public members of the Aeronautics Board shall not be appointed before the first regular meeting of this Board 30 days after the effective date of this resolution, or other such later time as the Board may set; and

BE IT FURTHER RESOLVED, that this Board reserves the right to task the Aeronautics Board with certain duties under MCL 259.133, and other applicable statutes, rules, and/or regulations as it may determine to be in the best interests of the Airport and/or St. Clair County.

DATED: August 11, 1999

REVIEWED AND APPROVED AS TO FORM BY:



ELWOOD L. BROWN
County Corporation Counsel
301 County Building
Port Huron, MI 48060

Don Wismer

Donald E. Bode

Jeanette A. Fittings

Lee Masten

Pat Geciarath

Edwin Quan

Janice Keegan

Proposed Initial Duties of SCC Aeronautics Board

Usage Fees (Other than leases)

Determine the charges, rentals, or fees for the use of any properties at the St. Clair County International Airport, and the charges for any services or accommodations, and the terms and conditions under which the properties may be used, which rentals, fees, charges, terms, and conditions shall be equal and uniform for the same type of use provided, services rendered, or accommodations granted with no discrimination between users of the same class for like use provided, services rendered, or accommodations granted, except that any charges, rentals, and fees as may be fixed or determined by any lease, contract, agreement, or grant of privileges or concessions to which the political subdivision is a party or is the grantor, shall be binding upon all parties for the full term prescribed in the lease, contract, agreement, or grant unless the same is sooner modified or terminated by mutual consent of the parties.

However, the public should not be deprived of its rightful, equal, and uniform use of such property.

Lease Terms

Establish the charges, rentals, or fees at a fixed or variable rate binding upon the parties for the full term of any lease, contract, agreement, or grant, which lease, contract, agreement, or grant may provide for the resolution of disputes or for the fixing of variable terms through arbitration or similar procedure.

The terms, charges, rentals, and fees shall be equal and uniform for the same type of facilities provided, services rendered, or privileges granted with no discrimination between users of the same class for like facilities provided, services rendered, or privileges granted.

However, the public should not be deprived of its rightful, equal, and uniform use of facilities provided, services rendered, or privileges granted.

Local Rules and Regulations

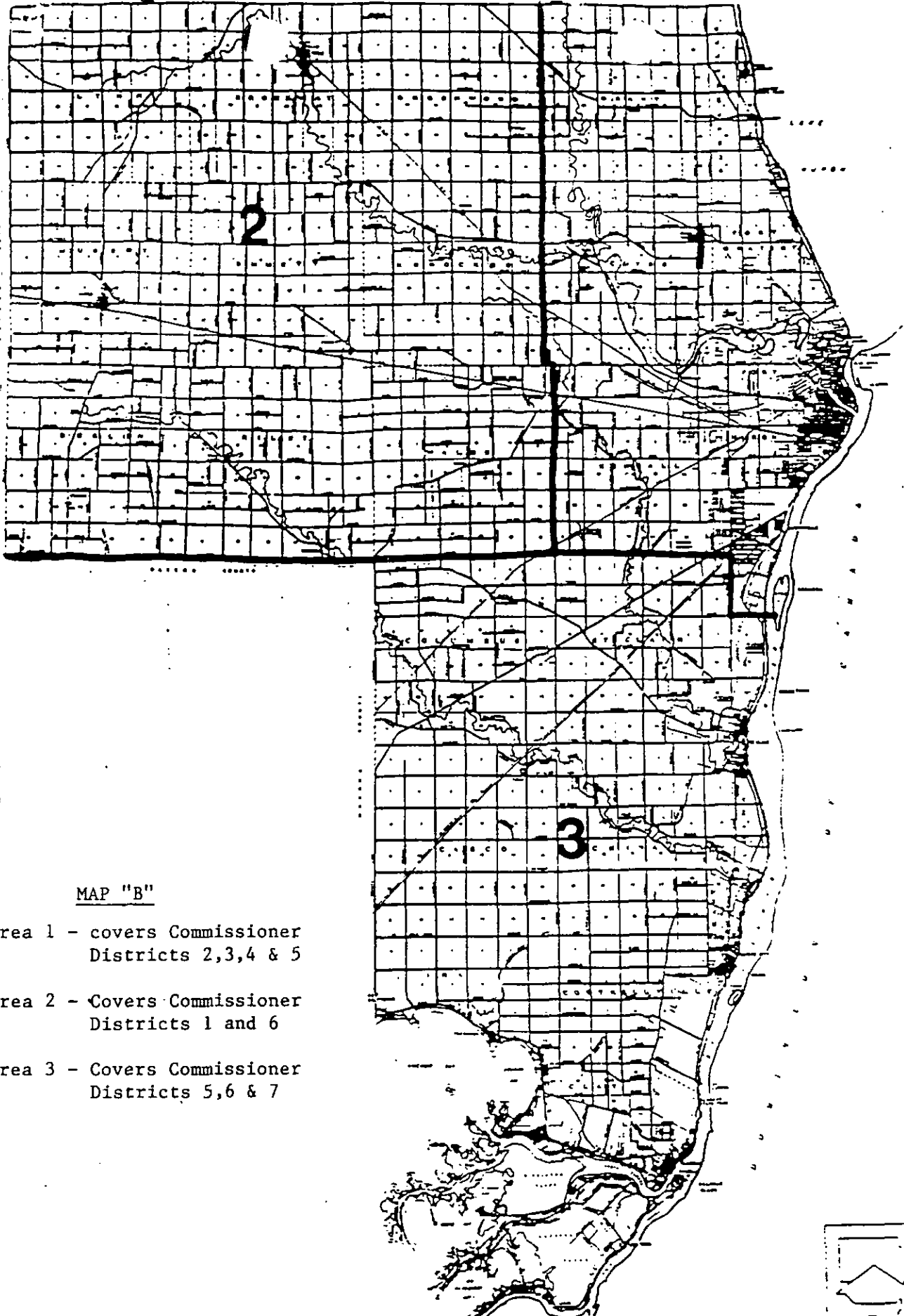
Review all current policies and procedures.

Recommend all necessary rules, regulations, and ordinances, or modification of existing rules, regulations, and ordinances for the management, government, and use of the St. Clair County International Airport and the use of any properties included within the current boundaries of the St. Clair County International Airport.

Evaluate the necessity of appointing airport guards or police, with or without full police powers. Recommend policies and procedures for the security of the facility.

Recommend penalties for the violation of the rules, regulations, and ordinances, and provisions for the enforcement of the penalties.

Recommend the enactment of rules, regulations, and ordinances designed to safeguard the public upon or beyond the limits of private airports, landing fields, or other aeronautical facilities within the political subdivision or its police jurisdiction against the perils and hazards of instrumentalities used in aerial navigation. Rules adopted pursuant to this subdivision shall be consistent with and conform as nearly as possible with the laws of this state and the rules of the state transportation department.



MAP "B"

- Area 1 - covers Commissioner Districts 2,3,4 & 5
- Area 2 - Covers Commissioner Districts 1 and 6
- Area 3 - Covers Commissioner Districts 5,6 & 7

PROPOSED ROAD COMMISSION DISTRICTS
AND SOCIAL SERVICES BOARD DISTRICTS

5-4-84

