

**Resolution 23-36**

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

**RESOLUTION PLEDGING FULL FAITH AND CREDIT FOR THE  
CARRIGAN AND GRACE DRAIN DRAINAGE DISTRICT  
DRAIN BONDS, SERIES 2024 (GENERAL OBLIGATION LIMITED TAX)**

A RESOLUTION TO PROVIDE FOR:

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

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

WHEREAS, the County hereby determines that improvements to the Carrigan and Grace Drain (the “Project”) are necessary for the protection of the public health; and

WHEREAS, pursuant to the Drain Code, the Drain Commissioner of the County (the “Drain Commissioner”) has prepared a roll providing for assessments (the “Assessments”) to be levied in the Drainage District to pay for the construction and financing of the Project; and

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

WHEREAS, the Drain Commissioner, by order, will authorize the issuance of bonds by the Drainage District to be designated as the Drain Bonds, Series 2024 (General Obligation Limited Tax) in the aggregate principal amount of not-to-exceed \$3,800,000 (the “Bonds”) in anticipation of the payment of the Assessments; and

WHEREAS, Section 276 of the Drain Code authorizes the County to pledge its full faith and credit for the payment of the Bonds if the Board of Commissioners of the County has adopted a resolution by a majority vote of its total membership; and

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

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

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

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

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

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

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

6. Necessary Actions. The County Administrator, Finance Director, Treasurer, Drain Commissioner, Deputy Drain Commissioner and any one or more of the officers, administrators, agents and attorneys of the County are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient to complete the issuance, sale, and delivery of the Bonds in accordance with this Resolution and the Order of the Drain Commissioner authorizing issuance and sale of the Bonds.

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

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

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the County Board of Commissioners of the County of St. Clair, Michigan at a Regular meeting held on Thursday, December 14, 2023 at 6:00 p.m. Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

I further certify that Notice of this meeting was posted pursuant to the requirements of Section 308, Act 34, Public Acts of Michigan, 2001, as amended, not less than 24 hours prior to the meeting, in the form attached hereto as Exhibit A.

I further certify that the following Members were present at said meeting: Commissioners Simasko, Baldwin, Torello, Rushing, Vandembosche, Bohm

and that the following Members were absent: Commissioner Beedon

I further certify that Member Simasko moved for adoption of said resolution and that Member Rushing supported said motion.

I further certify that the following Members voted for adoption of said resolution: Commissioners Simasko, Baldwin, Torello, Rushing, Vandembosche, Bohm, and that the following Members voted against adoption of said resolution: \_\_\_\_\_.

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

Angie Waters  
County Clerk

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

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

At the Regular meeting of the County Board of Commissioners of the County of St. Clair, Michigan, to be held on Thursday, December 14, 2023 at 6:00 p.m. Eastern Time, at the Board of Commissioners' Room on the 2nd Floor of the County Administrative Building, 200 Grand River Avenue, Port Huron, Michigan, the Board of Commissioners will consider a resolution relating to issuance of bonds by the Carrigan and Grace Drain Drainage District in the amount of not-to-exceed \$3,800,000. If the bonds are issued, the bonds will contain a limited tax full faith and credit pledge of the County.

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

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