

EATON COUNTY BOARD OF COMMISSIONERS

**RESOLUTION PLEDGING FULL FAITH AND CREDIT TO
GILBERT AND WEST TOWN INTERCOUNTY DRAIN DRAINAGE DISTRICT REFUNDING
BONDS**

Resolution # 19-1-11

Minutes of a regular meeting of the Board of Commissioners of Eaton County, Michigan, held in the County on January 16, 2019, at 7:00 p.m., local time.

PRESENT: Commissioners: Piercefield, Mulder, Haskell, Pearl-Wright, Whitacre, Freeman, Brehler, Droscha, Bowen, Ridge, Lautzenheiser, Mott, Wood, Rogers and Augustine.

ABSENT: Commissioners: None

The following resolution was offered by Commissioner Brehler and supported by Commissioner Lautzenheiser.

WHEREAS, proceedings have previously been taken under the provisions of Act 40, Public Acts of Michigan, 1956, as amended (the "Act"), for the making of certain intercounty drain improvements referred to as the Gilbert and West Town Intercounty Drain Project (the "Project"), which was undertaken by the Gilbert and West Town Intercounty Drain Drainage District (the "Drainage District") in a Special Assessment District (the "Special Assessment District") established by the Drainage District; and

WHEREAS, in order to provide funds to pay the costs of the Project, the Drainage District issued its Drainage District Bonds, Series 2009 (General Obligation Limited Tax) (the "Prior Bonds") in the original aggregate principal amount of \$2,700,000 pursuant to the Act; and

WHEREAS, the principal of and interest on the Prior Bonds is payable from assessments made upon public corporations and/or benefited properties in the Special Assessment District; and

WHEREAS, of the cost of the Project three percent (3%) was apportioned by the Drainage Board for the Drainage District to the County of Eaton (the "County") and ninety-seven percent (97%) of the cost of the Project was apportioned by the Drainage Board to the County of Ingham; and

WHEREAS, the Eaton County Board of Commissioners (the "Board"), by resolution adopted by a majority of the members of the Board, pledged the full faith and credit of the County, to the extent of special assessments against property and public corporations in the County, for the prompt payment of the principal of and interest on the Prior Bonds pursuant to Section 276 of the Act; and

WHEREAS, the Drainage District has received a savings report from PFM Financial Advisors LLC, that shows that refunding all or a portion of the Prior Bonds may provide a net present value savings with respect to the debt service on the Prior Bonds; and

WHEREAS, the Drainage District intends to issue refunding bonds in the amount of not to exceed \$1,485,000 (the "Refunding Bonds") in order to refund the Prior Bonds; and

WHEREAS, Act 34, Public Acts of Michigan, 2001, as amended provides that the Refunding Bonds shall be of the same character as the Prior Bonds and shall be construed to be a continuation of the Prior Bonds; and

WHEREAS, the Board desires to confirm the pledge of the County's full faith and credit to the Refunding Bonds as a continuation of the Prior Bonds; and

WHEREAS, the pledge of the full faith and credit of the County to the Refunding Bonds will provide a net interest cost savings and will be a benefit to the County and the people of the County.

NOW, THEREFORE, IT IS RESOLVED as follows:

1. The County pledges its full faith and credit for the prompt payment of the principal of and interest on the Refunding Bonds to the extent of special assessments against property and public corporations in the County, and the County agrees that in the event that property owners or public corporations in the County shall fail to pay the amount of any such special assessment installment and interest (in anticipation of which the Refunding Bonds are issued) when due, or there is otherwise a shortfall of funds available to pay the principal of and interest on the Refunding Bonds attributable to the percentage of the Project apportioned to the County, then the County will immediately make such advancement from funds of the County and the County Treasurer is directed to immediately make such advancement to the extent necessary. The ability of the County to levy taxes to pay its share of the principal of and interest on the Refunding Bonds shall be subject to constitutional and statutory limitations on the taxing power of the County.

2. Should the County advance County funds pursuant to the pledge made in this Resolution, the amounts shall be repaid to the County from assessments or reassessments made as provided in the Act.

3. The Chairperson of the Board, the County Controller/Administrator, the County Clerk, the County Treasurer and any other official of the County, or any one or more of them ("Authorized Officers"), are authorized and directed to take all actions necessary or desirable for the issuance of the Refunding Bonds and to execute any documents or certificates necessary to complete the issuance of the Refunding Bonds, including, but not limited to, any applications including the Michigan Department of Treasury, Application for State Treasurer's Approval to Issue Long-Term Securities, any waivers, certificates, receipts, orders, agreements, instruments, and any certificates relating to federal or state securities laws, rules, or regulations and to participate in the preparation of a preliminary official statement and a final official statement for the Refunding Bonds and to sign such documents and give any approvals necessary therefor.

4. Any one of the Authorized Officers is hereby authorized to execute a certificate of the County to comply with the continuing disclosure undertaking of the County with respect to the Refunding Bonds pursuant to paragraph (b)(5) of SEC Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended, and amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the "Continuing Disclosure Certificate"). The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate.


5. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded to the extent of the conflict.

YEAS: Commissioners: Piercefield, Mulder, Haskell, Pearl-Wright, Whitacre, Freeman, Brehler, Droscha, Brehler, Droscha, Bowen, Ridge, Lautzenheiser, Mott, Wood, Rogers and Augustine.

NAYS: Commissioners: None

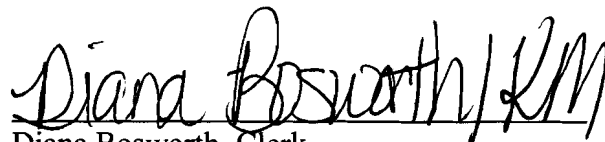
ABSTAIN: Commissioners: None

RESOLUTION DECLARED ADOPTED.


Diana Bosworth, Clerk
County of Eaton

CERTIFICATION

I, Diana Bosworth, the duly qualified and acting Clerk of Eaton County, Michigan (the "County") do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Commissioners at a meeting held on January 16, 2019, the original of which is on file in my office. Public notice of said meeting was given pursuant to and in compliance with Act 267, Public Acts of Michigan, 1976, as amended.


Diana Bosworth, Clerk
County of Eaton

Date: January 18, 2019