

ORDER

WHEREAS, the Drain Commissioner presented a Computation of Cost of Construction, dated February 10, 2025, for constructing the #1702 Kearsley Creek, Grandview Branch of Drain (the "Project"), which Computation of Cost of Construction sets forth an estimated cost of \$205,000.00 for the Project; and

WHEREAS, the Project has been determined to be necessary and conducive to public health, convenience and welfare and necessary to the protection of the public health in the Township of Atlas, Village of Goodrich; and

WHEREAS, the owners of property and public corporations in the #1702 Kearsley Creek, Grandview Branch of Drain Drainage District (the "Drainage District") have been each assessed a share of the cost of the Project; and

WHEREAS, the Drain Commissioner has presented a Drain Special Assessment Roll for the #1702 Kearsley Creek, Grandview Branch of Drain, dated February 20, 2025, setting forth the assessments for the Project against owners of property and public corporations in the Drainage District in the amount of \$205,000.00; and

WHEREAS, pursuant to a resolution adopted by its Board of Commissioners on _____, 2025, the County of Genesee (the "Purchaser") agreed to lend to the Drainage District the sum of \$_____, maturing in amounts and payable with interest on the balance from time to time unpaid as hereinafter set forth, which note is payable from the collection of the aforementioned special assessments, except for special assessments in the aggregate amount of \$_____ which were prepaid; and

WHEREAS, it is necessary to ratify and confirm all actions taken to authorize and in furtherance of the issuance of said note.

THEREFORE, BE IT ORDERED ON BEHALF OF THE #1702 KEARSLEY CREEK, GRANDVIEW BRANCH OF DRAIN DRAINAGE DISTRICT, as follows:

1. AUTHORIZATION OF NOTE-PURPOSE. Authorization to issue a note of the Drainage District, aggregating the principal sum of _____ and ___/100 Dollars (\$_____) (the "Note"), and sell the Note to the Purchaser pursuant to the provisions of Act 40, Public Acts of Michigan, 1956, as amended, and other applicable statutory provisions, for the purpose of defraying part of the cost of the Project is hereby ratified and confirmed.

2. NOTE DETAILS. The Note in the form, with the interest rate, payment schedule and other terms as provided in Exhibit A attached hereto and as executed in the name of the Drainage District by the manual facsimile signature of the Drain Commissioner is hereby approved, ratified, and confirmed.

3. PAYMENT OF PRINCIPAL AND INTEREST. The principal of and interest on the Note shall be payable in lawful money of the United States. The final payment of principal shall be payable upon presentation and surrender of the Note to the Drain Commissioner. Principal and interest shall be paid when due by check or draft mailed by the Drain Commissioner to the registered owner at the registered address.

4. PRIOR REDEMPTION. The Note shall be subject to redemption prior to maturity as provided in the form of Note attached as Exhibit A hereto.

5. SECURITY. The principal of and interest on the Note shall be payable primarily out of the collections from the special assessments in anticipation of which they are issued but the full faith and credit of the Drainage District are hereby pledged to the payment of such principal and interest. The Note is not being issued in anticipation of the special assessments against the Township of Atlas, Village of Goodrich and property owners in the aggregate amount of \$_____, which are being prepaid.

6. ESTIMATES OF PERIOD OF USEFULNESS AND COST. The estimated period of usefulness of the Project for which the Note has been issued is hereby determined to be not less than ten (10) years and the estimated Computation of Cost of Construction thereof in the amount of \$205,000.00, as presented by the Drain Commissioner, is hereby approved and confirmed.

7. APPROVAL OF SPECIAL ASSESSMENT ROLL. The Drain Special Assessment Roll for the #1702 Kearsley Creek, Grandview Branch of Drain is hereby approved and confirmed. The special assessments on said roll that have not been prepaid shall be payable in ten (10) approximately equal annual installments, the first of which shall be due and payable on June 1, 2026, and the several subsequent installments shall be due and payable on each succeeding June 1. All unpaid installments of the assessments shall bear interest from the date the funds are transferred _____ at a rate of 3.50% per annum, which is equal to the average interest rate borne by the Note issued to finance the Project.

8. PRINCIPAL AND INTEREST FUND. The establishment of a segregated Principal and Interest Fund for the Note is hereby approved and confirmed. All collections (including principal, interest and penalties) on the special assessments in anticipation of the collection of which the Note is issued shall be placed in the Principal and Interest Fund and so long as the principal of or the interest on the Note shall remain unpaid, no moneys shall be withdrawn from such fund except to pay such principal or interest.

9. CONSTRUCTION FUND. All proceeds from the sale of the Note shall be deposited in a Construction Fund for the Project and shall be used, together with the prepayment of the special assessments in the aggregate amount of \$_____, solely to defray the cost of the Project, including any engineering, legal and other expenses incidental thereto. Any unexpended balance of the proceeds of the sale of the Note remaining after completion of the construction of the Project shall be used as provided in Section 283 of the Drain Code.

10. SALE, ISSUANCE, DELIVERY, TRANSFER AND EXCHANGE OF NOTE. The sale of the Note to the Purchaser at a negotiated sale at 100% of the par value of the Note is hereby approved, ratified and confirmed. The Drain Commissioner hereby determines and confirms that the sale of the Note pursuant to such a negotiated sale is the most cost effective and efficient way to sell the Note. The Drain Commissioner and other appropriate officials of the County of Genesee are hereby authorized to do all things necessary and to take any actions on behalf of the Drainage District, including the making of covenants of the Drainage District,

deemed necessary and appropriate to assure that interest on the Note is and remains excluded from gross income for federal income tax purposes.

11. DEFEASANCE. 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 and interest on the Note, shall have been deposited in trust, this Order shall be defeased and the owners of the Note shall have no further rights under this Order except to receive payment of the principal of and interest on the Note from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Note as provided herein.

12. REPLACEMENT OF NOTE. Upon receipt by the Drain Commissioner of proof of ownership of an unmatured Note, of satisfactory evidence that the Note has been lost, apparently destroyed or wrongfully taken and of security or indemnity which complies with applicable law and is satisfactory to the Drain Commissioner, the Drain Commissioner may deliver a new executed Note to replace the Note lost, apparently destroyed or wrongfully taken in compliance with applicable law. In the event an outstanding matured Note is lost, apparently destroyed or wrongfully taken, the Drain Commissioner may pay the Note without presentation upon the receipt of the same documentation required for the delivery of a replacement Note. The Drain Commissioner, for each new Note delivered or paid without presentation as provided above, shall require the payment by the noteholder of expenses, including counsel fees, which may be incurred by the Drainage District replacing or paying the lost, destroyed or wrongfully taken Note. Any Note delivered pursuant the provisions of this Section 15 in lieu of any Note lost, apparently destroyed or wrongfully taken shall be of the same form and tenor and be secured in the same manner as the Note in substitution for which such Note was delivered.

13. CONFLICTING ORDERS. All orders and parts of orders insofar as they may be in conflict herewith are hereby rescinded.

SO ORDERED.


Jeffrey Wright
Genesee County Drain Commissioner

April 16, 2025

EXHIBIT A

[Attach Specimen Note]

Once we have the resolution to borrow the money, the Order and the promissory note will be completed and signed by the Drain Commissioner



PROMISSORY NOTE AND PLEDGE

Secured By Drain Order

I, Jeffrey Wright, Drain Commissioner, agent acting for and on behalf of the Kearsley Creek, Grandview Branch Drain #1702 Drainage District of Genesee County, a Michigan Body Corporate, do hereby promise to pay Genesee County Treasurer (promisee) (If more than one Promisee, they shall be deemed joint tenants with Right of Survivorship. Signature of anyone shall be sufficient on releases.) the sum of Two Hundred Five Thousand Dollars & 00/100 Dollars (\$205,000.00) with interest at the simple rate per annum indicated below. The principal is based upon, secured by, and to be paid out of, the following original drain orders and the full faith and credit of the Genesee County Drain Commissioner and said Drainage District.

Order Number	Principal Amount	Payment Date	Interest Rate	Payment Amount
0062480	\$ 20,500.00	6/01/26	3.50%	\$ 27,675.00
0062481	\$ 20,500.00	6/01/27	3.50%	\$ 26,957.50
0062482	\$ 20,500.00	6/01/28	3.50%	\$ 26,240.00
0062483	\$ 20,500.00	6/01/29	3.50%	\$ 25,522.50
0062484	\$ 20,500.00	6/01/30	3.50%	\$ 24,805.00
0062485	\$ 20,500.00	6/01/31	3.50%	\$ 24,087.50
0062486	\$ 20,500.00	6/01/32	3.50%	\$ 23,370.00
0062487	\$ 20,500.00	6/01/33	3.50%	\$ 22,652.50
0062788	\$ 20,500.00	6/01/34	3.50%	\$ 21,935.00
0062789	\$ 20,500.00	6/01/35	3.50%	\$ 21,217.50

Total \$ 205,000.00

\$ 244,462.50

Said drain orders shall be delivered to and held by Promisee until redeemed. They shall then be returned to Promisor.

Said drain orders shall be released in chronological order as the total amount of payments made to date equals or exceeds the face amount of each drain order plus accrued interest. Specific drain orders may be released by designation of that specific order with payment. In some instance, prepayment may reduce but not redeem the next drain order in chronological order. In such event, the Principal Balance and interest due shall be reduced accordingly. The next chronological drain order shall be surrendered and a new drain order or orders reflecting the adjusted balance shall then be issued.

The full-unpaid balance is due not later than 6/01/2035. The right is reserved to redeem, at any time, any of drain orders mentioned above by prepayment of the amount shown or additional lesser amount without penalty.

Genesee County, Michigan

Genesee County Drain
Commissioner agent for and
on behalf of said Drain
District (Promisor)

Dated: 4/16/2025

By _____
Jeffrey Wright,
Drain Commissioner

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