

Lincoln Park, Michigan  
May 22, 2014

SPECIAL MEETING  
CONSENT AGREEMENT

Meeting called to order at 7:30 pm, Mayor Thomas E. Karnes presiding.

PRESENT: Councilpersons Mario DiSanto, Mark Kandes, Larry Kelsey, Thomas Murphy and Elliott Zelenak

ABSENT: Councilperson Deborah Henderson

ALSO PRESENT: City Attorney Edward Zelenak, City Manager Joseph Merucci and Asst. City Clerk Kerry Kehrer

The purpose of this Special Meeting is to consider adopting the revised Consent Agreement negotiated with the State Treasury Department.

RESOLUTION 2014-222 Approve Consent Agreement-FAILED

By Councilman Kandes, supported by Councilman Zelenak

RESOLVED, that the Mayor and City Council approve the revised Consent Agreement between the City of Lincoln Park and the State Treasury Department as presented.

YES: Councilpersons DiSanto, Zelenak and Mayor Karnes

NO: Councilpersons Kandes, Kelsey and Murphy

TIE VOTE - MOTION FAILED

RESOLUTION 2014-223 Modify Water/Sewer Loan

By Councilman DiSanto, supported by Councilman Zelenak

WHEREAS, on June 29, 2013 the Lincoln Park City Council loaned \$2,500,000 from the Water and Sewer Fund to the General Fund, and

WHEREAS, this loan had five provisions, one being that any modification(s) to the loan agreement must be approved by the Lincoln Park City Council, and

WHEREAS, it has become necessary for the loan provisions to be modified in order for the city to continue to meet its public safety mandates, and

NOW, THEREFORE, BE IT RESOLVED, that the Lincoln Park City Council approve the recommended change to the original loan agreement; so that the annual payment for the 2013/2014 FY be reduced to \$60,000, plus the \$12,500 interest payment, and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that for the same reason stated in the previous paragraph, the payment for the 2014/2015 FY be reduced to \$60,000, plus the \$12,250 interest payment;

NOW, THEREFORE, BE IT FINALLY RESOLVED, that the terms of the original \$2,500,000 loan from the Water and Sewer fund to the General Fund be as follows: (1) term of the loan be 12 years (through June 30, 2026), (2) the interest rate be established at ½% for the duration of the loan, (3) payments be made once annually, (4) the loan may be repaid early with no penalty, and (5) the above terms can only be modified by a resolution of the City Council.

Motion carried.

NO: Council President Murphy

RESOLUTION 2014-224 Adjourn

By Council President Murphy, supported by Councilman DiSanto

RESOLVED, that the meeting be adjourned at 8:07 pm.

Motion unanimously carried.

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THOMAS E. KARNES, MAYOR

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KERRY A. KEHRER, ASST. CITY CLERK