



Macomb County Executive

Mark A. Hackel

Mark F. Deldin
Deputy County Executive

To: Bob Smith, Board Chair

From: Pamela J. Lavers, Deputy County Executive *PJL*

Date: February 7, 2017

RE: **Agenda Item – Executive Office, Loan Agreement between Macomb County and the Macomb Interceptor Drain Drainage District**

Attached you will find a resolution and loan agreement from the Office of the County Executive. The agreement is between the County of Macomb and the Macomb Interceptor Drain Drainage District. The County of Macomb shall advance from, time to time, upon borrower's request, up to a total outstanding principal amount of Twenty Million Dollars, (\$20,000,000.00) to the Macomb Interceptor Drain Drainage District for the purpose of paying or reimbursing its capital expenditures and related expenses in connection with the Fifteen Mile Road drain collapse. Interest shall accrue at the rate of 0.55% per annum on the outstanding principal balance until paid

The Executive Office respectfully submits this agenda item for the Commission's consideration and recommends approval of the loan agreement between the County of Macomb and the Macomb Interceptor Drain Drainage Commission.

PJL/mmc

cc: A. Lorenzo
S. Smigiel
C. Miller
V. Wolber
J. Schapka



MACOMB COUNTY, MICHIGAN

Resolution Number:

Full Board Meeting Date:

RESOLUTION

Resolution to:

Enter into a Loan Agreement between the County of Macomb, lender, and the Macomb Interceptor Drain Drainage District, borrower.

The County of Macomb shall advance from, time to time, upon borrower's request, up to a total outstanding principal amount of Twenty Million Dollars, (\$20,000,000.00) to the Macomb Interceptor Drain Drainage District. Interest shall accrue at the rate of 0.55% per annum on the outstanding principal balance until paid.

Introduced By:

Additional Background Information (If Needed):

The purpose of this Loan Agreement is to pay (or reimburse for its payment of) capital expenditures and related expenses in connection with the Fifteen Mile Road drain collapse that occurred on or about December 24, 2016.

Committee

Meeting Date

LOAN AGREEMENT

This Loan Agreement ("**Agreement**") is made as of February ___, 2017, between the County of Macomb, lender, and the Macomb Interceptor Drain Drainage District, borrower.

Upon approval and the signing of this Agreement by lender and borrower, the County of Macomb shall advance from, time to time, upon borrower's request, up to a total outstanding principal amount of Twenty Million Dollars, (\$20,000,000.00) to the Macomb Interceptor Drain Drainage District for the purpose of paying (or reimbursing it for its payments of) its capital expenditures and related expenses in connection with the Fifteen Mile Road drain collapse that occurred on or about December 24, 2016. Interest shall accrue at the rate of 0.55% per annum on the outstanding principal balance until paid.

The Macomb Interceptor Drain Drainage District shall repay all principal amounts advanced under this Agreement plus interest in full on or before [June 9, 2017], the 120th day after the approval of this Agreement by a resolution adopted by the Macomb County Board of Commissioners.

If the Macomb Interceptor Drain Drainage District fails to repay this loan when due as prescribed in this Agreement, the County of Macomb and its Treasurer may set-off sufficient funds from any amounts owing to the Macomb Interceptor Drain Drainage District from the County of Macomb or its delinquent tax revolving fund or withdraw the funds from Macomb Interceptor Drain Drainage District's unrestricted accounts held by the Treasurer to recover the amount thus owed.

This Agreement may not be assigned by either party without the other party's prior written consent and confers no rights or remedies on any third party, other than the parties to this Agreement and their respective successors and permitted assigns.

This is the entire agreement between the parties with respect to its subject matter. It may not be amended or otherwise modified except in writing signed by the parties. This Agreement shall be interpreted pursuant to Michigan law and any dispute regarding this agreement shall be heard in the 16th Circuit Court of the State of Michigan.

The parties have signed this Agreement as of the date first written above.

MACOMB COUNTY

MACOMB INTERCEPTOR DRAIN DRAINAGE
DISTRICT

By: _____

By: _____
