

Kochville Township Downtown Development Authority
Board Meeting Minutes: February 19, 2010
8:30 a.m. at Kochville Township Hall
Draft - Not yet approved

Board members present: Lyle Davis, Jr. (Chair); Vern Weber (Vice-Chair); Dave Abbs (Treasurer); Jim Loiacano (Supervisor); Jon Howell; Don Jackson; Scott LaDouce; Dave Maine

Board members absent: Tom Basil, Jr.; Andrew Forester

Others Present: Steve King (Director); Kevin Kilby, Rob Eggers; Heather Thomas; Mike Burger; Sheila Hill; Paul B. Knoerr

Proceedings:

I. Opening

Lyle Davis called the meeting to order at 8:30 a.m. and led the pledge of allegiance.

II. Agenda:

- Moved by Howell to approve the agenda as presented, second by Loiacano. Motion approved unanimously

III. Minutes:

- Moved by Abbs to approve minutes as presented, second by Weber. Motion approved unanimously

IV. Public Comment - None

V. Communications - None

VI. Reports

a. Financials

Mr. Abbs said the financial statements were fairly self-explanatory. More detail would be discussed regarding the budget amendment later in the meeting.

Mr. Davis noted that as the board had requested, money had been redistributed among accounts to utilize FDIC protection.

b. Police Subcommittee

Mr. Weber noted that the subcommittee had met with Mr. McGill of Saginaw County and had come to an agreement regarding police protection in the DDA: two sheriff's officers for three years, at \$200,000 for the first year plus a 2.5% annual adjustment for the following two years - \$205,000 in year two, and

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\$210,125 in year three. Mr. Kilby had drafted an agreement for the DDA. Mr. Weber said he believed the DDA board should move on the item as soon as possible, as this is a good contract for the DDA.

Mr. King asked about the effective date of the protection. Mr. Kilby said that the length of the agreement would actually be for greater than three years, given that the contract would start in April or, if it could be arranged, as soon as March, while the County's fiscal year does not begin until October 1.

Mr. Kilby noted that according to the drafted contract, the County would be providing for cars, gas, uniforms, vacation time, and liability insurance. The DDA board, if approved, would be approving the major terms of the agreement. The effective date of the contract could change based on the County Board of Commissioners' approval.

Mr. LaDouce asked if the DDA would be provided with an existing officer, or a new one. Mr. Weber replied that existing officers would patrol the district. This decision would be up to the County sheriff.

Mr. Jackson asked what hours of protection would be provided under the contract. Mr. Kilby noted that the contract calls for 80 hours per officer per 14 days. In all, the DDA would receive 80 hours per week of protection split between two officers. These shifts would be staggered to maximize the amount of protection per week.

Mr. Kilby noted that the contract provides for an "out" for either party, subject to some compensation. If the DDA were to walk away from the contract, it would have to compensate the County for the remainder of the current year of that contract. If the County terminated the contract, the DDA can hire another suitable law enforcement agency and the County will have to pay the difference between the original contract amount and the replacement contract amount with another agency. Following the initial payment for the first year plus additional months until October 1, the contract calls for monthly payments thereafter through the remaining contract period.

Mr. Abbs asked if the motion needed to be subject to the final negotiation with the County. Mr. Kilby said that if anything substantive changed in the contract, it would be brought back to the DDA board. The actual final draft of the contract will come back to the board; this approval would allow Mr. Davis to sign that final contract based on the basic figures and dates noted.

- Moved by Weber to approve contract with Saginaw County for police protection with the Kochville Township DDA district for a three-year period, for two full-time officers, for respective annual sums of \$200,000; \$205,000; and \$210,125; second by Abbs. [Unanimous roll call vote.]

Yeas: LaDouce, Howell, Maine, Weber, Abbs, Jackson, Loiacano, Davis

Nays: None

Mr. Davis noted that the board worked very hard to instill a spirit of cooperation in the discussions, which involved myriad parties. He commended Mark McGill for his efforts in those negotiations. Mr. Davis advised the board to thank Mr. McGill and Undersheriff Carr for their hard work toward this positive outcome.

VII. Unfinished Business

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a. Kochville Road

Mr. Eggers said that the Township board had approved replacing the entire mile's-worth of water line along Kochville Road in conjunction with the DDA's road project there, between Bay and Mackinaw Roads. Permits were submitted to the DEQ for the minor sewer modifications of the project. Spicer also needs two construction easements for the water line project for service to the day care and for new hydrants. A construction easement is also needed from the storage facility. The bidding is about three weeks away from today (February 19, 2010), with bids anticipated to arrive six weeks from February 19, sometime in April.

b. Bay Road (M-84) Sewer District

Mr. Eggers distributed a status report of the sewer district project. Jim Koski met with Ed Meisel, who is concerned with his trees in front along the road. The cost to bore under the trees is quite expensive. A good solution appears to be moving the line to the east side of the road. John Leuenberger has verbally agreed to allow the pump station to be built on his property, eliminating the need to obtain that difficult easement. Easements will still be needed along that east side for the line itself. Discussed at another meeting was the possibility of incorporating SVSU into the sewer project. A great deal of information has to be gathered to study the feasibility of this project expansion. SVSU has not yet replied to this idea; as such, the DDA will continue moving forward with its approved project as it stands, subject to the board's agreement.

Mr. Kilby noted that there also had been discussion of using SVSU's lift station as part of this project, which would involve that station being turned over to the Township. He has not heard anything more regarding this idea. Mr. Eggers noted that the SVSU lift station is outside of the DDA district, so the DDA couldn't participate in the costs of improving that lift station. The sewer district land owners would have to incur this cost.

Mr. Jackson asked if in the instance the DDA were to include SVSU in its sewer project, the DDA would have to increase the size of the sewer pipe to handle the extra flow. Mr. Eggers said that it appears the sewer size could handle this extra flow, but the pump size may have to increase to some degree.

Mr. Davis noted that he had put a halt to the recent considerations of adding SVSU to the project scope, as it had become apparent that SVSU was not driving these talks. If SVSU does wish to join the project, the DDA will be willing to entertain that consideration and follow the appropriate steps. Until then, however, the DDA will follow its approved project.

Mr. Loiacano noted that a station at Pierce and Bay could be sunk deeper so that if SVSU wanted to connect to the sewer extension in the future, this could be accommodated. Last year around this time, the Leuenbergers had approached the Township about connecting to SVSU's sewer, which the Township couldn't allow. SVSU was offered the option of helping the Township fund the interceptor sewer project and running that deeper.

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Mr. Weber said that the DDA board wouldn't have to take any action, since the project scope wasn't changing.

Mr. Jackson asked Mr. Eggers if Mr. Meisel had made a commitment to tie into the sewer, as his properties on Bay Road are incorporated in the former PA 116, now PA 451. Mr. Eggers noted that one house will have to hook in, but the other property isn't required to. The benefit to running the sewer on the east side of the road is that with the pump station location being on the east side and further to the north.

Mr. Davis said that the DDA will extend any courtesy to Mr. Meisel moving forward that it would with any other property owner.

Mr. Jackson said he was concerned that the DDA was incurring an extra expense for someone that wouldn't be part of the special assessment district for this project.

Mr. Loiacano said that some issues were being worked out regarding the Township's interceptor sewer project that might affect the Bay Road sewer project, such as USDA financing. The Michigan and Kochville station is running on one pump right now, as it has for years.

c. Signage (Gateway, Wayfinding) – Eggers

Mr. Eggers said the DDA needed to decide whether it would prefer to see smooth or fluted poles supporting its wayfinding signs. The cost is the same for both styles.

DDA board members indicated their support for the fluted style, which is stronger than the smooth poles.

Mr. Eggers said that regarding the gateway signs, Northwest Tire would like its larger sign grandfathered in as a condition of placing a gateway sign there, though he didn't know if that was a realistic option. He distributed a new conceptual rendering of a gateway sign that would require less maintenance than the earlier design. Mr. Weber asked for an approximate total cost per sign, which Mr. Eggers said might be about \$15,000 or so.

Mr. Davis referenced the "Leadership Saginaw" project that is part of a gateway sign installation at Bridgeport, welcoming visitors to the Great Lakes Bay region. Solar panels will be incorporated to power lighting of that sign. He suggested considering a similar element on the DDA's gateway signs. Mr. Weber agreed that this might be an option.

Mr. Jackson asked about maintenance requirements for the plantings shown in the new rendering. Mr. Eggers responded that the plants were relatively maintenance free, and no irrigation was planned for the signs. Mr. Weber asked how high the letters were as shown on the new drawing, which Mr. Eggers estimated at one-and-a-half to two feet. Mr. Weber noted concerns regarding snow blocking the visibility of the lettering.

Mr. LaDouce asked if any lighting was incorporated on the new design. Mr. Eggers said that lighting had been removed in an effort to reduce associated long-term costs. Mr. Weber said that the DDA has

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to be careful even with solar panels and lighting, as these require maintenance. He wonders if these elements should perhaps become a second phase to this project. These technologies are changing rapidly and tremendously.

Mr. Davis asked about moving the I-675 exit sign into the Davis Road planting bed along Tittabawassee. Mr. Eggers replied that MDOT doesn't like structures in a right-of-way.

d. Charter School Project – King

Mr. King said that the State Police have indicated to the Saginaw County Road Commission that parking along Trautner Road is an enforcement issue, not an issue of signage. Ms. Tonya Reed, the principal at North Saginaw Academy, said she was told by sheriff's officers that parking is allowed along Trautner Road. The Road Commission is adjusting the timing of the school speed limit sign's flashing lights during the morning hours.

Mr. LaDouce said he has not seen the State Police monitoring the area at all. He is very concerned about someone being hit along the road, regardless of whether "no parking" signs are installed. Mr. Weber said that the DDA's police officers will be able to help control the parking problem.

4. New Business

a. FY 2009 budget amendments – King

Heather Thomas explained that Public Act 21 requires local units of government to adopt a budget before the start of a fiscal year. If the DDA or another local entity is to spend outside of its budget, it first needs to amend its budget. In the past, the DDA has adopted its budget by line item, which requires the board to look at every single line item every month. The newly proposed budget follows a categorization by activity. Details will still be available on every financial statement, but the categorical budget by activity essentially consolidates the budget to a simpler format for easier review. Budget activity categories include government administration, economic development, capital outlay, contributions to other governments, and public safety.

Ms. Thomas discussed the differences between the different expenditure categories. Future financial statements will include both the summarized categorical statement, as well as details.

Mr. Abbs asked if a budget revision is necessary if more must be spent for an item than what was budgeted for, as is the case with a school district. Ms. Thomas replied that this is correct.

- Moved by Abbs to amend the FY 2009 DDA budget as presented, second by Maine. Motion carried unanimously.

b. FY 2010 budget – King

Mr. King said he did not yet wish to include any significant new projects to the budget, and would instead prefer to present new ideas as they become more developed.

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Mr. Davis noted that the board would look over the proposed FY 2010-11 budget and discuss more at length at its next meeting.

c. Small Town Design Initiative – King

Mr. King recalled discussion regarding what is currently being called the “university district” near SVSU. Although the DDA does not govern the development of this ordinance, it would obviously greatly affect the DDA. At the February 8 planning commission meeting, it became apparent that the community doesn’t really know what it wants that area, or many others in the township, to look like in the future. Michigan State University offers the Small Town Design Initiative in partnership with its Extension Service, assisting small communities throughout the state with creating a vision for their future appearance. The DDA would submit an application to participate in the program, which if accepted, would likely cost about \$6,000. Mr. King was requesting up to a \$10,000 commitment to ensure that the project would be done right, in case additional costs come up at some point. The intent is to examine the entire DDA district under the project.

Mr. Loiacano cautioned against looking only at one small part of the township with this study.

Mr. Maine said he interpreted the proposal as starting a conversation within the community using the assistance of innovative students and faculty. The DDA would be investing money to “un-ruffle some feathers” and help create a community vision.

- Moved by Abbs to approve up to \$10,000 to support the services of the Michigan State University Small Town Design Initiative in Kochville Township, second by Abbs. [Roll call vote carried unanimously]
Yeas: LaDouce, Howell, Maine, Weber, Abbs, Jackson, Loiacano, Davis
Nays: None

Mr. Howell said he is concerned with snow on pathways in Kochville Township. Saginaw Township clears snow from walkways, but Kochville does not. He suggested that the DDA might want to eventually consider taking care of this maintenance.

Mr. Davis asked Mr. King to look at the problem and bring back information to the board.

5. Township Supervisor’s Report – Supervisor Loiacano

Mr. Loiacano discussed recent Township Board of Trustees actions, including those regarding the interceptor sewer at Venoy Road. There are currently concerns regarding construction easements and USDA bonding of the project. The Township is looking at reassessing unpaid expenses for Fire Department incidents in 2006 and 2007. The Township recently lost the tax tribunal case with Sommerville, the owner of the former Circuit City and Media Play building.

6. Planning Commission Report – Don Jackson)

Mr. Jackson noted that the commission had received preliminary drawings for an eye care clinic within the DDA. The commission is working on developing a wind energy ordinance right now. The parks

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and recreation committee is scheduled to host ITC at its next meeting, March 3, where plantings along walkways will be discussed. ITC is providing grants for beautification and other purposes relating to rail trails and other pathways.

Mr. Loiacano noted that he had received information from Saginaw Township regarding its sign ordinance. Saginaw Township's ordinance doesn't require all signs to be in compliance until 2016. He suggested that the Township might try to extend the Kochville ordinance compliance date beyond August 1, 2010.

7. Director's Report – King

Mr. King noted that he had incorrectly included some invoices from the Saginaw County Road Commission in the DDA board's expense packet, which should have gone to Kochville Township. The DDA should pick up the expenses for the school speed limit sign as well as for some recent work along Fashion Square Boulevard.

Mr. Loiacano noted that he had spoken with Mr. King regarding tax tribunal cases. Mr. King said that because of the negative effect on taxable values from the case recently lost by the Township, the DDA will see some kind of loss in revenue. Mr. Loiacano described expenses stemming from the tax tribunal case, which were \$4,800 for an assessor. He is worried that many more cases could go to the State's tax tribunal.

Mr. Davis noted that the question was whether the DDA would help the Township defend its tax tribunal cases. Mr. Weber said the DDA shouldn't take action right now, but can think about it. Mr. Davis noted that the DDA has been in court for several years, and said he personally would like the DDA to remain out of court.

Mr. King said that the Township wasn't asking for a specific contribution or assistance right now, but was raising the question for consideration regarding future cases.

8. Board Member Comments

Mr. Abbs thanked all on the board that worked on the public safety issue. Mr. Davis thanked Mr. Weber for being the lead on that project.

9. Other Business

- a. Payment of the Regular Bills(5 min)
(See Attached Itemized Report)

* Moved by Howell to approve payment of the regular bill, second by Davis. Motion carried unanimously.

- b. **NEXT BOARD MEETING – Friday, March 5, 2010 at 8:30 a.m.**

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10. Adjourn

The meeting adjourned at 9:50 a.m.

Minutes prepared by Steve King

Lyle Davis, Jr. – Chairman

Stephen M. King - Director