

Kochville Township Downtown Development Authority
Board Meeting Minutes: August 27, 2010
8:30 a.m. at Kochville Township Hall

Board Members Present: Lyle Davis, Jr. (Chairman), Vern Weber (Vice-Chairman), Jim Loiacano (Township Supervisor), Don Jackson and Jon Howell

Board Members Absent: Dave Abbs (Treasurer), Scott LaDouce (Secretary), Tom Basil, Jr., and Dave Maine

Others Present: Steve King (Director), Kevin Kilby, Rob Eggers, Steve Yanca

Proceedings:

I. Opening

Lyle Davis opened the meeting at 8:30 a.m. with the pledge of allegiance.

II. Agenda

- Moved by Weber, second by Loiacano, to approve the agenda as presented. MOTION CARRIED UNANIMOUSLY

III. Minutes

- a. July 16, 2010
- b. August 18, 2010

Mr. Weber identified a correction for the August 18, 2010 draft minutes, noting that the DDA had been told that the SVSU lift station was not available for use in the sewer extension project.

- Moved by Loiacano, second by Jackson, to approve the July 16, 2010 minutes as presented. MOTION CARRIED UNANIMOUSLY.
- Moved by Loiacano, second by Weber, to approve the August 18, 2010 minutes as amended. MOTION CARRIED UNANIMOUSLY.

IV. Public Comment

Mr. Yanca said he had heard questions as to whether there were plans to fix Pierce Road, possibly as part of the Bay Road and Pierce Road sewer extension project. He said that Pierce Road should be included as eligible for SMATS funding.

V. Communications / Information – None

VI. Reports

- a. Financials

Mr. Weber noted that the DDA's statements showed assets of slightly more than \$1.1 million.

Mr. King said that renewal forms were in for one of the DDA's six-month CDs, which is now only paying 0.4% interest.

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b. Police Protection

Mr. Weber introduced Captain Gutzweiler, Sergeant Stevens, and Deputy Fausnaugh, all of the Saginaw County Sheriff's Department. Deputy Fausnaugh discussed recent activity by the DDA-dedicated officers, as well as some concerns to address. There will be an open discussion on loss prevention held at Township Hall on September 15 at 10 a.m., at Township Hall, to discuss some concerns with businesses.

Mr. Weber commended the Sheriff's Department officers working with the DDA for their fantastic service.

VII. Unfinished Business

a. Kochville Road

Mr. Eggers said the water main installation is completed, as well as the connection for the SSP development. Storm sewers have been installed and the ditches have been rough-graded. The shoulders for the road are being built up, and the following week would see the beginning of the all season portion of the road. Some foundry slag discovered in the ditches needed to be disposed of, but the project was still under the allowable cost with the 10-percent contingency.

Mr. King noted that only the construction costs were bonded for this project; the DDA is paying the "soft" costs out of savings. Some of the expenses not bonded for were starting to arrive for payment.

Mr. Loiacano said that the new underground fiber line had been installed. He discussed some problems experienced with AT&T on the project.

b. Bay Road (M-84) / Pierce Road Sewer Extension

Mr. Eggers discussed the recent history of this project. At its August 16 Board of Control meeting, SVSU agreed to use of its lift station for the Township's sewer project subject to administrative approval. On August 18, the Township Board of Trustees and the DDA Board met and agreed to accept this station as part of the project. As such, the project scope has changed to include this existing lift station. The schedule is now very accelerated in order to meet Saginaw County's needs to potentially include as part of the Build America bond issue, which must be executed by December 31, 2010.

Mr. Kilby said that all draft engineering plans must be completed by September 15. There will be a resolution ready for the Township Board of Trustees to adopt at its September 28 meeting, to confirm the roll for the project, as well as approve the Act 185 agreement with Saginaw County. On October 5, the Saginaw County Services Board will have to recommend approval of the Act 185 agreement to the entire Saginaw County Board. On October 10, bids will go out on the project. On October 19, the Saginaw County Board will meet and decide whether to approve the Act 185 agreement with Kochville Township. On October 26, the Township Board of Trustees will meet again, hold a public hearing on the assessment roll, and vote whether to approve that roll, which would direct the clerk to execute the necessary documents and have the special assessment put in place on the tax roll. On October 29, bids will come in and will inform the board as to the actual cost of the project. The 30-day window to contest assessment expires on November 25. The project is being tailored to bring sewer to as many people as possible in the district area, but at the least possible cost to each land owner. When the project was initially started, 100-percent of the project was located in the DDA district boundaries. At that time, the DDA had agreed to

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fund \$343,000 toward construction of a new lift station within the district. Now that the project is being extended beyond the boundaries of the district, the DDA would technically be offsetting costs outside of the district, which he has been questioned about. The easiest and most economical way to deal with the issue might be to approach the Township and ask it to pay for the fractional difference of the \$343,000 located outside of the DDA boundaries.

Mr. Davis asked how much of the project falls outside of the DDA boundary. Mr. Eggers replied that this wasn't known yet, but estimated the portion as about one-quarter of the project.

Mr. Weber asked for an approximate completion date. Mr. Eggers said that the project could be constructed during the winter, even in January or February. This is probably a four- to six-month project.

Mr. Jackson asked about the expected lifespan of the 14-inch line that SVSU feeds into. Mr. Eggers said he didn't know specifically, but discussions and past observations indicate it is in very sound condition.

John Leuenberger requested that the DDA and Township consider extending sewer service 200 feet east of Davis Road on Pierce Road. He said that by only installing the 200 feet for service, but assessing against his 1,000-foot parcel, the project cost would be reduced to other participants. He said that the university may be interested in running waste into that sewer extension as well, allowing it to remove a smaller lift station. Mr. Eggers said that Spicer Group would need to know very soon if this scope would be expanded by the boards.

- Moved by Weber, seconded by Howell, to recommend extension of Pierce Road sanitary sewer to 200 feet east of Davis Road. MOTION CARRIED UNANIMOUSLY.

Roll Call Vote:

Yeas: Howell, Weber, Jackson, Davis

Nays: None

Abstention: Loiacano

c. Signage

i. Wayfinding

Mr. Eggers noted that all wayfinding signs had been installed. Final inspection is pending on the project.

ii. Gateway

Mr. Eggers discussed progress on the first gateway sign, at Mackinaw and Tittabawassee Roads, which should be completed soon. Signs are also being targeted for the intersections of, or nearby, Davis and Tittabawassee Roads and Fashion Square Boulevard and Tittabawassee Road.

d. Holiday Decorations and Lighting

Mr. King noted that the DDA has a contract with a company for 2010 to install rental lighted decorations in the district during the holiday season. It makes sense to decorate the DDA district, one of the region's biggest shopping districts, as much as possible to attract business and create a positive image for the community. He noted that Bronner's was in attendance to present additional decoration ideas for the board's consideration.

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Kevin Mauer and Angie Baxter of Bronner's presented numerous design ideas that their company provides to other communities in Michigan. It is common for decorations to be installed in November and be taken down in February or even March.

Mr. King asked what turnaround time Bronner's would need in order to install decorations for this winter holiday season. Mr. Mauer replied that the September DDA meeting would allow sufficient time.

- Moved by Davis, seconded by Jackson, to approve funding for holiday decorations from Bronner's of Frankenmuth not to exceed \$30,000.00. MOTION CARRIED UNANIMOUSLY.

Roll Call Vote:

Yeas: Weber, Jackson, Loiacano, Davis, Howell

Nays: None

Mr. Davis instructed Mr. King to work with Bronner's on several options for the board's consideration within the approved budget.

e. Marketing – WNEM Contract

Mr. King noted that WNEM had approached the DDA about advertising for the 2010 holiday season. After checking with local businesses, it seems that some smaller businesses might be interested in the proposed co-op program, but the district's larger stores are not interested. The two proposed packages would cost \$5,000 or \$8,175, respectively, and would provide for DDA promotional spots on television, radio and online. Saginaw Township does not have the ability to participate with the DDA in promoting the Cardinal Square district this year.

Mr. Howell asked if Saginaw Township businesses within Cardinal Square could still co-op onto the Kochville DDA's television spots, even if Saginaw Township did not contribute.

Mr. Davis suggested waiting until next year to participate, to see if Saginaw Township can participate then. Mr. Weber concurred, saying that more research needs to be done on the idea.

f. Business Incubator

Ken Kousky of Saginaw Valley State University provided a presentation to the board about business incubators. Economic developers have historically sought to attract big business; however, more and more economic development will take place through local business development programs. Startup businesses have been the nation's number one form of economic growth for some time. A significant focus of economic development needs to be developing and attracting businesses to bring inflows of investment and spending from outside the region. If an incubator were to create permanent, low-moderate income jobs, funding is available from the Michigan Economic Development Corporation to apply toward capital improvements. In 2005 there were 27,000 startup companies located in incubators, producing over 100,000 jobs and \$17 billion of new revenue. About 94-percent of incubators are organized as non-profit organizations, specializing in different focus areas. 31-percent are supported by economic development organizations, 21-percent by government entities, and 20-percent by academic institutions, with eight-percent as hybrids funded by multiple sources.

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Mr. Kousky said he proposed working with the Township on a pilot project to establish a business incubator, in partnership with Saginaw Valley State University. He said that the project would require money from the DDA, with a target of \$50,000 to \$100,000, but also access to the community through the DDA.

VIII. New Business

a. DDA Five-Year Strategic Plan

Mr. King reminded the board that there will be a strategic planning session on Wednesday, September 8 at 8:30 a.m. at Standard Electric.

IX. Township Supervisor's Report

Mr. Loiacano noted that the Township is still seeking volunteers for its Parks and Recreation Committee. The Township Board is reviewing a liquor control ordinance right now, and will vote on this soon. Some additional, unexpected work was necessary recently for the Kochville Road project. The Township Board approved up to \$2,500 for securing appraisers for future tax tribunal cases.

X. Planning Commission Report

Mr. Jackson said the Planning Commission is still working on a wind energy ordinance, as well as a residential rental ordinance. The Master Plan Committee is trying to complete its work as quickly as possible. He discussed the recent Elmer Lange Park Summer Celebration and Krossroads Park Back-To-School Walk.

XI. Board Member Comments

Mr. King noted that the second community session for the Kochville Small Town Design Initiative program will take place on Wednesday, September 22 at 7:00 pm at Davenport University.

XII. Other Business

a. Payment of the Regular Bills

- Moved by Weber, seconded by Loiacano, to pay the regular bills. MOTION CARRIED UNANIMOUSLY.

b. NEXT BOARD MEETING: Friday, September 24, 2010 at 8:30 a.m.

XIII. Adjournment

The meeting adjourned at 10:25 a.m.