

MINUTES (DRAFT)
KOCHVILLE TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY (DDA)
FEBRUARY 18, 2011 – 8:30 AM (Township Board Room)

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

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

Others Present: Steve King (Director), Kevin Kilby, Rob Eggers, Mike Burger, Deputy Steve Fausnaugh, Deputy Matt Oswald, Bob Golean, Jeff Dupuis

Proceedings

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

I. Approval of Agenda

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

II. Approval of Minutes

- a. January 21, 2011

Mr. Davis noted that the date on the minutes should be 2011, not 2010.

- Moved by Loiacano, second by Jackson, to approve the minutes as amended. MOTION CARRIED UNANIMOUSLY.
 - b. November 12, 2010 (closed session)
- Moved by Weber, second by Loiacano, to approve the minutes as presented. MOTION CARRIED UNANIMOUSLY.

III. Public Comment

Deputy Fausnaugh introduced Deputy Oswald to the DDA board. Deputy Oswald will be taking Deputy Swalwell's spot as the second DDA-dedicated sheriff's deputy.

Bob Golean and Jeff Dupuis from the Saginaw Sunrise Rotary Club described a project at Krossroads Park that the Rotary Club would like to donate to Kochville Township. The Rotary Club would like to construct an observation pier at the park on the pond. The club has raised more than \$17,000 thus far toward this project, but has a funding gap to meet the final portion of the project, which will cost an estimated \$21,850. The Rotary Club would like to partner with the DDA to complete the project this spring.

Mr. King noted that Rotary was not included as an agenda item.

- Moved by Howell, second by Jackson, to add "Observation Platform" to the agenda as item 7f. MOTION CARRIED UNANIMOUSLY.

IV. Communications / Information

Mr. King noted several items in the DDA packets, including correspondence from the Sunrise Rotary Club; a letter sent to the business district highlighting upcoming events; a report about activity in Kochville Township from Saginaw Future, Inc.; some photographs from Allendale Township near Grand Valley State University; and an article from the January 2011 Planning and Zoning News about what planners need to be working on to facilitate economic development.

V. Unfinished Business

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

Mr. Eggers said that several meetings had taken place recently to ensure everything was ready for the start of construction the first week of April.

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Mr. Jackson said he had heard a rumor about problems at the SVSU pumping station. Mr. Eggers replied that he had not heard this at all. Mr. Davis asked this issue to be checked out, in case there was any factual information supporting the rumor.

b. Gateway Signs

Mr. Eggers said Pumford Construction plans to complete the limestone caps and lettering on the gateway sign at Fashion Square and Tittabawassee soon.

Mr. Davis noted he had spoken with Mr. Wentworth, who owns the Applebee's property. Mr. Wentworth indicated he would have the signed easements sent over soon for that gateway sign.

c. Mast Arm Traffic Lights

Mr. Eggers said that the new estimated cost from MDOT to install mast arm traffic light poles at the Bay/Tittabawassee intersection is \$83,251. This project will be a component of a larger M-84 improvement project to be undertaken by MDOT in 2011.

Mr. King referred to the list of proposed DDA capital improvement projects submitted as part of the Township's capital improvements plan to be considered soon. All of the projects on the list correspond to the DDA/TIF plan, and are based on recent feedback from the DDA board. If the board desires to do so, it may be possible to tie several of the proposed projects together as a larger project.

Mr. Davis noted that several items, such as the burial of utilities on Tittabawassee and Bay Roads, may make sense to tie together. In addition, there may be interest in improvement or resurfacing Pierce Road. The DDA could consider bonding for some projects in order to complete projects sooner than later.

Mr. Weber inquired how these projects would affect the DDA's future budgets. Mr. King replied that the projects plan was included in a budget projection that was distributed at the January DDA meeting. Relatively conservative revenue figures were assumed in order to maintain a "safe" outlook. Mr. King said the DDA should be able to maintain about a \$500,000 annual general fund balance through the next five years while still addressing the projects on the proposed projects list.

Mr. Weber commented that the DDA needs to make sure it is able to address additional project needs and other expenses that come along in the future.

Mr. Davis asked Mr. King to prepare a formal cash flow analysis for the board that considers various financing options for the proposed projects.

Mr. Loiacano said that Kochville Township may need financing assistance from the DDA to replace the existing water main on Bay Road as part of the Bay Road utility burial project.

d. Tittabawassee Road Utility Burial

Mr. Eggers reminded the board that Consumers Energy had broken the utility burial project into three phases: phase one, Tittabawassee Road from Bay Road to Davis Road, for \$30,000; phase two, Tittabawassee Road from Bay Road west to approximately Meijer, for \$250,000; and phase three, Bay Road from Tittabawassee north to the Consumers Energy high-voltage lines, for \$400,000. These costs are dependent upon the phases being done in that order.

Mr. Weber asked if a request had been made to Saginaw Township to participate in sharing the costs for the mast arms at Bay and Tittabawassee. Mr. King responded that Saginaw Township was grateful for the project but would be unable to contribute.

Mr. King asked Mr. Kilby to discuss bonding issues relative to utility lines.

Mr. Kilby said the major issue with bonding for the utility burial would be ensuring that the bond term doesn't exceed the useful life of the lines themselves. The DDA could do straight DDA bond sale to a local bank, or it could sell through the full faith and credit of the Township, as it has in the past.

Mr. Weber asked if the DDA could simply borrow money from the bank to pay for the projects. Mr. Kilby said he could check with bond counsel, but noted that there are strict security rules to follow in how DDAs and municipalities can borrow money. Mr. Weber asked him to check into this.

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e. Tittabawassee Road Streetscape

Mr. Eggers cited a question from Consumers Energy on whether the DDA is still interested in relocating the cobra-head utility pole at the northwest corner of Fashion Square Boulevard and Tittabawassee Road. As part of the proposed streetlighting project along Tittabawassee, the DDA would replace the existing standard poles with decorative streetlights. The feeling of the DDA board at the January meeting was to install decorative streetlights from Bay to Davis on Tittabawassee Road, at an estimated cost of \$279,000. This project would include installing light poles on the north side of Tittabawassee Road approximately every 150 to 200 feet.

Mr. Eggers noted that the board had also inquired about the cost of installing streetlights from Davis Road all the way to Mackinaw Road on Tittabawassee, which is estimated to cost \$631,000. To install lights from Davis to Bueker Drive would cost an estimated \$382,000.

Mr. Jackson asked if there would be economies of scale savings by installing lights the additional distances west of Bay Road. Mr. Eggers said there may be such savings, but these wouldn't be known until the project was bid out. Mr. Jackson asked if these costs included the burial of the corresponding utility lines, which Mr. Eggers replied was not the case.

Mr. King suggested that perhaps a holistic plan could be developed for the Tittabawassee corridor west of Bay Road that would tie in streetscaping, sidewalks and other items. He agreed that that portion of Tittabawassee also should be streetscaped, but that it should be done as effectively as possible.

Mr. Jackson asked if there may be any grant money available for this project. Mr. Eggers said that he had checked into MDOT enhancement money for the project, but the State is not likely to fund this project since it is not a State highway.

f. District Flags

Mr. King recalled how perhaps half of the DDA's American flags were blown off the street lights at some time during 2010. He recommended flying smaller flags during 2011 in order to reduce maintenance needs for the flags during the year. He requested approval to order two-foot-by-three-foot flags, replacing the current three-foot-by-five-foot flags.

Mr. Weber commented that the smaller flags don't look as nice, but the DDA really doesn't have much of a choice in the matter. He mentioned that the welded brackets supporting the flags and flag poles may not be able to stand many more years of wear and tear from the larger flags.

- Moved by Jackson, second by Howell, to fly 2' x 3' American flags in the DDA district during the 2011 season. MOTION CARRIED UNANIMOUSLY.

g. DDA / Redevelopment Liquor Licenses

Mr. Kilby referenced the Redevelopment Liquor Licensing documentation for consideration by the DDA board. The Township has adopted the resolution establishing the redevelopment district. This resolution needs to be sent to the Michigan LCC, along with certification from the Clerk and a map of the district to determine how many redevelopment licenses will be available in the area of the district. He described the process by which redevelopment liquor license requests would be handled and processed if the DDA and Township approved the proposed policy. This policy would only apply within the certified redevelopment area of the DDA.

Mr. Loiacano asked how long the DDA or Township has to reply upon application through the redevelopment liquor license program. Mr. Kilby said the DDA has to schedule a public hearing within 45 days if the board accepts the application.

Mr. Howell asked if any businesses had approached the DDA about these licenses. Mr. King replied not yet as of the Township Board's approval of the resolution, though the DDA was approached in 2010 prior to adoption of the resolution. Mr. Howell asked what the cost is to apply for these licenses, which Mr. Kilby said is \$20,000. The licenses can only be sought after attempting to acquire a traditional license through the State of Michigan.

Consideration of this policy was postponed until the March 18 DDA meeting in order to allow review of the proposed policy by the DDA and Township Boards.

Mr. Abbs requested moving the "Reports" section of the agenda to this point in order to allow the DDA deputies to continue patrols within the district.

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VIII. Reports

a. Police Protection (Weber)

Mr. Weber noted that the DDA has not been billed yet for a significant portion of the contractual services in FY 2010, but the bill will be coming soon. He also noted that the U.S. Secret Service provided training earlier that week on detecting counterfeit currency. Approximately 40 representatives from DDA businesses attended the three trainings.

Deputy Fausnaugh noted that 65 shoplifters had been apprehended since July 25, 2010 in the DDA district. The deputies are meeting regularly with DDA stores to track and prepare for shoplifters.

Mr. Davis suggested that the DDA move the Rotary Club representatives up in the agenda as well, which the board agreed to.

VII. - f. Observation Platform

Mr. Loiacano said he had initially talked about the project with Ben Zervalik in 2010, and he had directed Mr. Zervalik to discuss the project and coordinate it with Judy Jackson, the Parks and Recreation Committee chairperson. There are a number of other concerns with the pond itself, such as erosion on the east shore. The Township would like to help prevent deterioration on the east end of the pond with the observation platform being placed there. He also cited a concern with construction materials for the pier.

Mr. Golean from the Sunrise Rotary Club noted that the south side of the pond is the most level for an observation pier, and is located closer to the parking lot, making it a better location for the pier.

Mr. Dupuis from the Rotary Club agreed that the pier needed to be ADA compliant, but said that the engineer from Spicer Group who designed the pier was certainly aware of this for the design. The proposed crushed stone dust for the pathway to the pier is also ADA compliant and should help prevent long-term erosion damage that would be caused by asphalt, which is impervious. The stone dust should also provide better traction.

Mr. Loiacano said he had only seen a hand-written plan without enough detail. He suggested that the Township its Parks and Recreation Committee would like to see the additional details discussed.

Mr. Golean said the Rotary Club appreciated that Spicer Group had donated the time to draw up the plans, saving the group money to use toward the project. Because the drawings have been donated, the group doesn't have three-dimensional renderings to share as to what the pier might look like when completed.

Mr. Davis asked whether the Rotary Club was specifically looking for up to \$5,000 from the DDA toward the observation pier project. Mr. Golean replied that this was correct. If the DDA would contribute toward the pier, the Rotary Club would ensure that a plaque on the pier would show the DDA's participation in the project.

Mr. Davis asked Mr. Kilby if there is a problem with the DDA contributing toward the project. Mr. Kilby replied that there is no problem with the DDA making this contribution, since contributions towards parks and recreation projects in the DDA is included in the DDA/TIF plan.

Mr. Loiacano noted that the project had not yet been approved by Kochville Township and would need to be reviewed further.

Mr. Jackson noted that the pier needed be an "observation pier," not a "fishing pier" because of liability and other concerns.

Mr. Golean noted that Rotary Sunrise has a matching grant from Rotary International that expires this summer. Without approval of the project, the grant funding will be lost.

- Moved by Weber, second by Abbs, to contribute up to \$5,000 toward the Rotary Club of Saginaw Sunrise observation pier project to be constructed at Krossroads Park. MOTION CARRIED UNANIMOUSLY VIA ROLL CALL VOTE.
Yeas: Weber, Abbs, Jackson, Loiacano, Howell, Davis
Nays: None
Absent: Basil, LaDouce, Maine

(Note: the meeting discussion returned to VI., "Unfinished Business.")

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h. Saginaw / Kochville Township Walking Path Connection

Mr. Eggers said that the “good news” had come in from MDOT – the Saginaw Charter Township / Kochville Township walking path connection has been approved. MDOT’s grant toward the project will total more than \$420,000, to be done in 2012.

i. M-84 Walking Path Snow Removal

Mr. King recalled that the issue of snow removal on walkways within the DDA district has been raised at past meetings. Right now, snow is not removed from the Bay Road walking path, nor from the multi-use path running east-west along the Consumers Energy easement. The DDA’s insurance representatives have expressed concern about liability exposure to the DDA from maintaining these walkways. In addition, a legal opinion from the DDA’s legal counsel indicates that the Township, not the DDA, is the optimal entity to maintain the M-84 path if MDOT will not – not the DDA.

Mr. Weber said he had reservations about the DDA getting involved with snow removal.

Mr. Jackson wondered what the DPW’s costs would be to maintain the path. Mr. Burger replied that the DPW used to plow the path under the understanding that MDOT expected the Township to maintain the path as a condition of its construction. He discussed potential complications affecting snow removal on the path, including its proximity to a major highway, blowing snow across fields, and driveways crossed by the path. Mr. Jackson said he would like to see snow removed from the path, but it shouldn’t be a DDA project. He would like to see the Township consider the issue.

Mr. Howell said that if the Township decides not to act on the issue, it should come back to the DDA board. The community has a responsibility to take care of students and others that might use the path. Right now no effort is being made toward the path.

Mr. Jackson said this could be a place to start in making Kochville a walkable community.

- Moved by Jackson, second by Howell, to recommend consideration of snowplowing the M-84 walking path to Kochville Township. MOTION CARRIED UNANIMOUSLY.

VII. New Business

a. FY 2010 Budget Amendments

Mr. Abbs noted that the DDA’s fiscal year 2010/11 budget needed to be amended to bring a few line items to reflect actual expenditures. The DDA could approve the amended FY 2010 budget at this meeting, but the FY 2011/12 budget should be considered for adoption at the March meeting.

Mr. Weber inquired whether the DDA had received all of its captured funds through Kochville Township. Mr. King replied that not all of the funds were in yet, due to software problems at the Township. The DDA will not execute its revenue sharing agreement with Kochville Township before receiving all outstanding funds.

- Moved by Weber, second by Jackson, to approve the amended Fiscal Year 2010/11 DDA budget. MOTION CARRIED UNANIMOUSLY.

Mr. Abbs noted that the DDA had moved its active checking account from Citizens Bank to 1st State Bank. The DDA’s accountant, Heather Thomas, had advised the DDA to pass a resolution to close the Citizens Bank account.

- Moved by Abbs, second by Weber, to close the DDA’s checking account with Citizens Bank. MOTION CARRIED UNANIMOUSLY.

Mr. Davis inquired why the checking account had been moved to 1st State Bank. Mr. Abbs said that the underlying issue was local proximity to account representatives.

Mr. Weber requested a brief summary in the future about how the DDA’s money may be protected by the FDIC.

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b. FY 2011 Budget Amendments

c. GIS Expenses

Mr. King said that one invoice for consideration by the board was for half of the costs to upgrade Kochville Township's GPS unit software, which allows the Township to mark utility and other locations for use on the Saginaw County GIS system. Mr. King had included GIS expenses as part of the proposed DDA capital improvements plan, for up to \$5,000, in order to help facilitate necessary upgrades that will help the DDA substantially in the future with its projects.

Mr. Davis noted that concerns had been raised before the meeting as to why the current GPS equipment was not already used. He asked Mr. Burger to confirm that this upgrade would ensure that the equipment would, in fact, be put to use. Mr. Burger said this was correct.

Mr. Weber asked what this would be used for to help the DDA. Mr. Davis noted that the primary use for the DDA would be to identify and mark utility lines. Mr. Weber said that the Township would have to do this anyway, and inquired why the DDA should need to contribute. Mr. Loiacano said that most of the projects taking place in the Township are taking place within the DDA. Mr. Weber said the DDA shouldn't pay any more than half of the total cost toward the GIS and GPS upgrades.

Mr. Loiacano said the Township would have, at minimum, \$6,000 in upgrades if the DDA covered \$5,000 toward these.

Mr. Davis inquired whether this was an expense that could be pulled out of the amount of revenue being shared with Kochville Township. Mr. Loiacano said that most of that funding was already being used for parks and recreation purposes. Mr. Kilby noted that the DDA's revenue sharing was being deposited into the Township's general fund.

Mr. Davis said he agreed that the GIS system is necessary for the Township; however, it may not provide the same benefit as some other projects. The DDA needs to ensure that its funds are being used as effectively as possible.

- Moved by Jackson, second by Loiacano, to approve up to \$5,000 toward Kochville Township GIS development costs.
MOTION CARRIED VIA ROLL CALL VOTE.
Yeas: Abbs, Jackson, Davis, Loiacano
Nays: Weber, Howell
Absent: Basil, LaDouce, Maine

d. Saginaw Square Public Plaza Concept

Mr. King reviewed conceptual plans for a potential public plaza at the Saginaw Square shopping center, which is listed as project number 12 on the DDA/TIF plan. Right now, the only public area in the DDA district is Krossroads Park. One item often cited in the DDA's 2010 community survey was the desire to do something with the large expanses of parking in the DDA district. The proposed public plaza would help beautify the district and provide a public area to potentially host events at in the future. The project would rely upon an easement donation by the property owner. Mr. King said he feels the plaza would tie into most initiatives that the DDA is supporting right now.

Mr. Abbs suggested looking at the entire district area to see how the plaza fits in, and what other options may be available.

e. M-84 Bus Stop Platforms

Mr. King noted that the idea of bus stops in the district was brought up briefly at the January DDA meeting, specifically the potential to enhance the bus stops on Bay Road.

Mr. Eggers said he had contacted STARS about the possibility of upgrading these bus stops. There are currently four stops on Bay Road between Tittabawassee and Freeland Roads: one on the east side, and three on the west side. If the DDA is interested, it could install a concrete slab and a bench at those four locations. The total estimated cost for these improvements would be about \$10,000. However, a significant amount of communication should be done with MDOT and other organizations if the DDA is interested in this project.

Mr. Howell asked about the bus platforms in Saginaw Township, which he has struggled to find recently while they are buried in snow. Mr. Eggers referenced the M-84 corridor design study which included improvements for bus stops. He couldn't recall many enhancements to the bus stops in Saginaw Township along Bay Road.

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VIII. Reports

a. Financials

Mr. Abbs reviewed the DDA's recent balance sheet. The DDA currently shows assets of about \$1.1 million.

VI. Township Supervisor's Report (Jim Loiacano)

Mr. Loiacano noted that the Township Board would meet on February 22. Work has begun on Michigan Ave. toward the interceptor sewer project. The Township is considering various policy changes, including ones related to sick days, cell phones, equipment rental, and other issues.

Mr. Burger informed the board that a motorist had struck the gateway sign at the Mackinaw/Tittabawassee interchange that morning.

VII. Planning Commission Report (Don Jackson)

Mr. Jackson said the Planning Commission had approved the Township's Capital Improvements Plan, which was then submitted to the Township Board for consideration.

VIII. Board Member Comments - None

IX. Other Business

a. Payment of the Regular Bills

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

b. NEXT BOARD MEETING – Friday, March 18, 2011 at 8:30 a.m.

X. Adjournment

The meeting adjourned at 10:22 a.m.

Minutes written by Steve King

Lyle Davis, Jr. – Chairman

Date

Steve King – Director

Date