

Brownfield Redevelopment Authority

Regular Meeting Minutes

Monday, January 12, 2015
4:00 p.m., Council Chambers



City of South Haven

1. Call to Order by Valentine at 4:00 p.m.

2. Roll Call

Present: Erdmann, Gawreliuk, Henry, Herrera, Kerber, Klavins, Schaffer, Valentine
Absent: Bolt

3. Approval of Agenda

Motion by Henry, second by Schaffer to approve the agenda as presented.

All in favor. Motion carried.

4. Approval of Minutes – November 24, 2014

Motion by Erdmann, second by Henry to approve the November 24, 2014 regular Meeting Minutes as written.

All in favor. Motion carried.

5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

None at this time.

6. Financial Report

VandenBosch presented the Financial Report.

Motion by Erdmann, second by Gawreliuk to accept the Financial Report.

All in favor. Motion carried.

7. Meeting Schedule

Motion by Henry, second by Klavins to approve the meeting schedule as follows:

January 12
February 9
March 9
April 13
May 11
June 8
July 13
August 10
September 14
October 12
November 9
December 14

All in favor. Motion carried.

8. Factory Condo Reimbursement Request

VandenBosch explained this request as being similar to other expenses seen coming from the Factory Condominiums Association; a fairly typical item to be reimbursed through the Brownfield for the Factory Condominiums.

Motion by Henry, second by Gawreliuk to approve the

Valentine abstained.

All in favor. Motion carried.

Work Plan Proposal.

VandenBosch explained using the school tax capture along with the local tax capture. Abonmarche has been asked to write the work plan, which includes environmental work with Department of Environmental Quality (DEQ) remediation. The DEQ will likely approve this Work Plan to assist the remediation so it is considered an environmental expense.

VandenBosch requested the board to authorize the expenditure as noted in the packet. By next month VandenBosch hopes to have a memorandum of approval between the City, Brownfield Authority and Local Development Finance Authority (LDFA) which lays out the process to follow; a Planned Unit Development amendment showing the health club being demolished and this Work Plan Agreement. VandenBosch also noted that if there are any Brownfield Plan amendments needed, the memorandum should address that. Staff believes there is currently enough money in the Brownfield Plan but there may be a need for additional funding for future environmental work. VandenBosch explained that staff does not know if continued monitoring will be required or whether the Factory Condominiums will be able to stop environmental monitoring and environmental expenses.

Erdmann asked for a ball park figure of the cost which VandenBosch said will be roughly \$100,000.

Motion by Henry, second by Klavins to approve the proposal from Abonmarche to write an Act 381 Brownfield Work Plan, authorize submittal to the DEQ and authorize the use of Brownfield Revolving Funds for the work described in the proposal.

Valentine and Schaffer abstained.

All in favor. Motion carried.

VandenBosch reviewed the information contained in the report provided by Abonmarche. Noted where the high level of TCE is located. The proposed remediation is to put heating elements in the ground powered by electricity, heat up the solvent TCE so vapors come out of the ground and are contained under tarps or covers, then are treated and let out into the atmosphere. VandenBosch noted this process will take about a million dollars' worth of electricity, is expected to take a year from start to finish, with continued testing after it is done. The city is preparing for a fairly major project which should eliminate the TCE in the residential neighborhood.

Kerber asked why the demolition is not included in the cost of the remediation to which VandenBosch responded that the DEQ offered that they would do the remediation if we would fund the demolition. Henry said if you can get the DEQ to fund the future remediation, the difference between one million dollars (\$1M) and one hundred thousand dollars (\$100,000) is a lot for the city. VandenBosch said the offer was in an email; staff has been following up on it. The funding is there if we do our work with the bid specs, which staff has been told are ninety percent (90%) ready and work with the DEQ on a few items to hopefully come back with a memo of understanding.

Kerber asked if our Board of Public Utilities will be the beneficiary of the electric costs to which VandenBosch responded, "Our utility policies are somewhat rigid, and have to be, because so many times people ask for discounts, it would be difficult to amend the policy." VandenBosch said our electric utility helps us in many different ways. Discussion ensued about the fact that the utility very rarely grants discounts. Erdmann asked why if the utility is benefitting why the Brownfield is not going to benefit. Henry said we have to look at the overall projects; there are expenses to offset that electric benefit.

9. General Comments

There were none.

11. Adjourn

Motion by Erdmann, second by Henry to adjourn at 4:43 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,
Marsha Ransom
Recording Secretary