

**OSCODA-WURTSMITH AIRPORT – LOCAL DEVELOPMENT FINANCE AUTHORITY**

**Meeting Minutes**

May 21,2019

**I. CALL TO ORDER – Vice-Chairman**

Vice-Chairman Johnson called the meeting to order at 3:27 P.M.

**II. ROLL CALL**

RICK BINKOWSKI	<i>Absent</i>
JOHN BRIGGS	Present
TONY JOHNSON	Present
SCOTT LUECK	<i>Absent</i>
JAIMIE MCGUIRE	<i>Absent</i>
ROB HUEBEL	<i>Absent</i>
DON NOLAN	Present
CHRISTINE ROGEL	Present
LEISA SUTTON	Present
JOHN SCANLON	Present
GREG SCHULZ	<i>Absent</i>

**OTHERS PRESENT**

Gary Kellan  
Brenda McNeill  
Jack Brown

**III. Adoption of Agenda – Vice-Chairman**

Vice-Chairman Johnson requested a motion to adopt the meeting agenda.

**Motion made by Mr. Briggs and seconded by Ms. Sutton to adopt the agenda. There were no additional questions or comments. Motion carried by voice vote.**

**IV. 2018 Public Information Report**

Mr. Kellan reminded the board that Michigan PA 57 of 2018 establishes additional public reporting requirements for Local Development Finance Authorities. Those reporting requirements include conducting at least two public information meetings during each year. The first public information presentation for 2019 is being provided during this May 21, 2109 meeting. Copies of information materials were presented to the board. Additionally, all taxing agencies impacted by the OWA-LDFA tax

capture have also been provided with the reported information and notified of this public presentation opportunity. Mr. Kellan reminded members of the LDFA Board that the impacted taxing agencies are listed within the table below.

losco County – Operating	losco - Intermediate School Dist.
losco County Agencies	Allocated Operating
Ambulance	Voted Operating
Commission on Aging	
Medical Care Facility- Operating	Senior Citizen Center - Operating
Transit Authority	State Education Tax
MSU - 4H	Charter Township of Oscoda- Operating
Oscoda Area Schools - Non-Homestead Voted Operating	

**V. 2018 Public Information Report- Public Comments, Q&A**

Mr. Kellan noted that none of the impacted taxing agencies have attended this meeting. Additionally, he reported that no calls or inquiries regarding the public information report had been received by LDFA Staff - - Mr. Kellan. Vice Chairman Johnson asked members of the Board if anyone would like further explanation. Mr. Johnson request a motion to accept the Public Information Report.

**Ms. Rogel made a motion to accept the Public Information Report as presented. Mr. Briggs supported the motion. There were no additional questions or comments. Motion carried by voice vote.**

**VI. Approve Meeting Minutes- December 18, 2018**

Mr. Johnson offered the board a moment to review the minutes from the previous meeting and opened the floor for a motion to accept the meeting minutes of December 18, 2018.

**Ms. Sutton made a motion to approve the meeting minutes from December 18, 2018. Ms. Rogel supported the motion. There were no additional questions or comments. Motion carried by voice vote.**

**VII. Financial**

**A. Current Financial Report**

Copies of the April 30, 2019 bank statement and reconciliation worksheet were provided to members of the Board. That financial activity is also summarized within a table on the following page.

<b>OWA- LDFA Financial Report – May 21, 2019</b>	
Fund Balance as of December 18, 2018 Meeting	<b>\$153,566.15</b>
<b>Income Since December 18, 2018 Meeting</b>	
Bank Interest	\$ 215.32
2018 Tax Increment Capture Revenue	\$ 105,445.00
<b>Expenditures Since December 18, 2018 Meeting</b>	
Dickinson & Wright Legal Fees – In support of PA 57 of 2018 Related Impacts	-[\$ 1,347.00]
FPM Remediations – Close out Pride Road DoD Reporting (Final Payment)	-[\$ 6,262.00]
<b>Cash Reserves (as of April 30, 2019)</b>	
	<b>\$ 251,617.47</b>

**Mr. Johnson asked if anyone had questions regarding the financial report. He then sought a motion to accept the financial report. Mr. Briggs made a motion to accept the financial report as presented. Mr. Nolan supported the motion. There were no additional questions or comments. Motion carried by voice vote.**

**B. FY 2019 Budget Amendment No. 1 – Resolution 2019-01**

A modified copy of the FY 2019 budget matrix was provided to the board. Mr. Kellan explained that the adopted FY 2019 budget allocated \$1,000 for legal fee expenses. Subsequent to adopting that budget our Michigan legislature enacted PA 57 of 2018 - - which became effective January 1, 2019. Staff responded by developing written procedures for conforming to PA 57 requirements. Those procedures were then reviewed and further developed with assistance from the Authority’s legal counsel Dickinson & Wright which resulted in legal fees of \$1,347. Therefore, that payment creates a single line item overrun.

Additionally, staff foresees the potential need for additional legal service fees during FY 2019. Specifically, the meeting agenda included approval consideration for contracting with Iosco County Road Commission (ICRC) for resurfacing Mission Drive. Therefore, staff may need legal counsel in support of implementing that road improvement project.

Resolution No. 2019-01 was prepared for the Authority Board to formally act upon this recommendation to amend the FY 2019 Budget. Specifically, the proposed budget amendment adds \$1,500 to the Legal Fees Line Item No. 251-000-826.000.

Mr. Johnson invited board members to make a motion to adopt Resolution 2019-01 in support of adding \$1,500 to the Legal Fees line item No. 251-000-826-000.

**Mr. Nolan made a motion to adopt Resolution 2019-01 which adds \$1,500 to Legal Fees online item 251-000-826.000. Ms. Sutton supported the motion. Mr. Nolan, Yes, Ms. Rogel, Yes, Ms. Sutton, Yes, Mr. Scanlon, Yes, Mr. Briggs, Yes, Mr. Johnson, Yes.**

**C. Charter Township of Oscoda – Website Posting Service Fee**

Michigan PA 57 of 2018 requires Local Development Authorities to post specified information on a public website. As OWA-LDFA operates as a Commission of Charter Township of Oscoda, the Township's website is being utilized for posting the specified information. The specified information is now posted on the Township's website and may be viewed at [www.oscodatownshipmi.gov/1/322/2019.asp](http://www.oscodatownshipmi.gov/1/322/2019.asp). Charter Township of Oscoda is now seeking reimbursement for the \$50.00 fee incurred when modifying the Township's website.

**Ms. Rogel made a motion to reimburse \$50.00 to Charter Township of Oscoda for expenses incurred in support of posting OWA-LDFA information on the Township's website. Mr. Briggs supported the motion. There were no further questions or comments. Motion carried by voice vote.**

**D. Payment Limits Authorization – Director, Treasurer and Secretary**

The Authority Board has previously provided authorization for the Director, Treasurer and Secretary to co-sign payment checks drawn against the Authority bank account. That authorization does not include a maximum limit for staff to make pay outs without securing pre-approval from the Authority Board.

As the Authority doesn't typically have sufficient business for conducting monthly meetings Staff and Authority Board Treasurer have been pressing forward with paying invoices so as to avoid delinquency or penalties. Mr. Kellan asked the Board to establish a limit for making individual payments without needing to secure pre-approval from the Authority Board. Mr. Kellan suggested setting the payment limit somewhere within the range of \$2,500 - \$5,000 – per transaction.

**Mr. Briggs made a motion to provide authorization for the Director, Treasurer and Secretary to pay invoices, with amounts as much as \$ 5,000 without securing pre-approval from the Authority Board. Ms. Sutton supported the motion. There were no further questions or comments. Motion carried by voice vote.**

**VIII. Current Business**

**A. Iosco County Road Commission Contract – Mission Drive Reconstruction**

During the December 18, 2018 meeting, the Authority Board provided authorization to collaborate with Iosco County Road Commission in preparations for resurfacing a section of Mission Drive. The portion of Mission Drive to be resurfaced is located between Arrow Street and Flight Street.

During Mission Drive project deliberations, Staff was asked if any underlying utilities need replacement or if the project will impact nearby underlying utilities. As the water and sanitary sewer are owned by

Charter Township of Oscoda, these questions were forwarded to the Township's Superintendent. In response, a letter was provided by the Township's retained engineering services firm - - Rowe Professional Services Company. A copy of that letter was provided to members of the Authority Board. In summary, the letter from Rowe Professional Services reports that the existing pipelines provide sufficient capacity for existing demand and any future development regardless of type. The Rowe letter also reports that the pipes are in relatively good condition.

Additionally, the proposed road resurfacing work is not expected to damage underlying utility pipelines as the existing road surface is 2"thick asphalt constructed over approximately 5"- 7 "thick concrete foundation. The road surface is also bordered with concrete curb and gutter pan structure. The proposed road resurfacing project involves only removal and replacement of the asphalt surface. In other words, there are no anticipated reasons for excavating to the depth of nearby buried utility pipelines.

Copies of the Iosco County Road Commission's project description, preliminary cost estimate and contract documents were provided to the board. The preliminary cost estimate is \$105,955. The actual cost will be determined by competitive bidding results. Project costs will then be shared -- with 70% being paid by OWA-LDFA and 30% being provided by Iosco County Road Commission.

**Ms. Sutton made a motion to provide authorization for Vice-Chairman Johnson and Director Kellan to sign the proposed contract with Iosco County Road Commission. Mr. Nolan supported the motion. There were no further questions or comments. Motion carried by voice vote.**

**IX. OWA-LDFA Director Comments - None**

**X. OWA-LDFA Board Member Comments - None**

**XI. Public comments - None**

**XII. Adjournment:**

Meeting adjourned by Vice-Chairman Johnson at 3:45 p.m.

Respectfully Submitted by Gary Kellan – Executive Director