

LOCAL DEVELOPMENT FINANCE AUTHORITY
BOARD MEETING MINUTES
JULY 26, 2007
8:00 A.M.

MEMBERS PRESENT: Benson, Briggs, Brovont, Frisbie, Liabenow, Petersen, Stalker
MEMBERS ABSENT: Crooks, Tencza
STAFF: Larry Campbell, City of Cadillac Utilities Director

I. APPROVAL OF MINUTES FOR SEPTEMBER 13, 2006

Moved by Benson and supported by Liabenow. All ayes.

II. BUDGET APPROVAL

Stalker provided the Board with copies of the 2007-2008 operating and utilities budgets for the LDFA Board's consideration. He further reminded the Board that there would be no debt service budget to consider this year, since that responsibility had been met with all bonds being retired. After further discussion, it was moved by Frisbie and supported by Brovont to adopt the 2007-2008 operating budget. All ayes. It was then moved by Briggs and supported by Benson to adopt the utilities budget. All ayes.

III. SPECIAL ASSESSMENT RENEWAL

Stalker provided the Board with an update pertaining to the recently completed special assessment process. The special assessment for operations of the LDFA was adopted and will not need to be considered for another five years.

IV. OPERATION UPDATE

Utilities Director Campbell provided the Board with a comprehensive update as to the status of current operations.

V. EPA/SSPA CAPTURE ZONE ANALYSIS REPORT

Campbell provided a detailed summary of the recent USEPA/SSPA capture zone analysis report. This is part of the USEPA five-year review, which began in 2005. The document contains a wealth of information, and has led to a much larger discussion which includes the optimization of the LDFA system. Discussions will continue between the USEPA, MDEQ, and City of Cadillac.

VI. NON-LDFA GROUNDWATER REMEDIATION UPDATE

The Board was provided updates pertaining to a number of surrounding groundwater issues. This included Rexair, AAR, Mitchell Corporation, and the MTBE situation. The LDFA will continue to monitor the litigation between Rexair and the State of Michigan. Much discussion followed pertaining to the MTBE plume, and the City's coordination and review of this matter with the MDEQ. The City has suggested to the MDEQ that the wastewater treatment plant could be considered to immediately address the toe of the MTBE plume. This review is currently underway.

VII. The meeting adjourned at 9:30 a.m.

Respectfully Submitted,
Pete Stalker