Local Development Finance Authority (LDFA) Board Minutes

A regular meeting of the LDFA board was held on Wednesday January 15th, 2025 at City Hall.

Call to Order: Meeting was called to order by Marcus Peccia at 11:01 AM.

I. Roll Call

Present: Marcus Peccia, Brian Warner, Julie Theobald, William Tencza, Matthew Schichtel, Mike Hamner, Jennifer Brown
Staff Present: Jeff Dietlin, Owen Roberts
Michael Homier, Charles Barbierri, joined via zoom

II. Marcus Peccia commented on LDFA responsibilities in regard to PFAS. Said that the City is looking at solutions.

III. Approval of minutes from December 2nd Meeting

1. Brian Warner made a motion, Julie Theobald seconded. Unanimous approval.

IV. Approval of Closed Session Minutes for December 2nd Meeting

1. Jennifer Brown made motion, Julie Theobald supported. Unanimous approval.

V. Motion to change Agenda and move Item X to Item IV

1. Brian Warner made a motion, Julie Theobald supported. Unanimous approval.

VI. State Statute Compliance Update- Owen Roberts

1. Owen spoke about the history of the LDFA budget
2. Treatment costs day one 6.7 Million. Special assessment revenues are about 43% of that, there is 1 million in interest income. We are compliant with the 50%.
3. There are two funds the LDFA is over
   i. Operating Funds
   ii. Tax Captures
4. Financial audit occurs annually. Council also adopts a budget annually.
5. Owen spoke about the current fiscal year budget
6. Brian Warner asked about special assessments in the future.
7. Matthew Schichtel asked about potential monthly spreadsheet for budget.

VII. Public Comments

1. Bill Barnett asked for LDFA to test 12 remaining wells in the institutional control area. Commented that it is taking too long to get a new lawyer/consultant. Concerned about lack of testing
2. Art Stevens said that LDFA is the solution to the problem. He presented and LDFA budget document. This is attached at the end of these minutes. He would like the LDFA board to be a part of creating the annual budget as it pertains to the LDFA.

VIII. Bylaws Action:

1. **Article I Section 2: Elect new chair and vice char for the remainder of the current fiscal year.**
   i. Chairperson: Julie Theobald made a motion to nominate Matthew Schichtel to be chairperson. Brian Warner supported. 6 yes's 1 No. Motion approved.
   ii. Vice Chairperson: Julie Theobald nominated Brian Warner, Marcus Peccia supported. Unanimous approval.
2. **Article I Section 7: Establish a date to complete an annual audit of the LDFA's fiscal year business, to be submitted to City Council.**
   i. To be submitted no later than city audit. Jennifer Brown made a motion, Julie Theobald supported. Unanimous approval.
3. **Article II Section 2: Propose a change to city council that verbiage stating first Monday of each month should be changed to holding a meeting at least once per month, allowing for reasonable scheduling flexibility.**
   i. Matthew Schichtel commented that positions need to be filled in a timely manner, if people cannot make it consistently, maybe someone else needs to be appointed, or it should be delegated to an alternate.
   ii. Willam Tencza asked about making attendance requirements a part of the bylaws.
   iii. Meetings will be scheduled once a month to be selected at the end of each meeting for the following month.
      1. Julie Theobald made a motion, Brian Warner supported. Unanimous approval
4. **Article III Section 2I: (1) The director shall render to the board and to the City Council a regular report, covering the activities and financial condition of the authority. Establish a frequency and start the following process. (2) The director annually shall prepare and submit a budget for the operation of the authority for the ensuing fiscal year. Establish a date of completion for the next fiscal year (July 1st).**
   i. Matthew Schichtel said he would like a quarterly presentation to City Council. He would also like performance audited.
   ii. Matthew made a motion, Brian Warner supported. Unanimous approval
5. **Article III Section 3: Identify a secretary, who may or may not be on the board.**
   i. Julie Theobald made a motion that it be a utilities staff member, Mike Hamner supported. Unanimous approval.

6. **Article III Section 4: Identify a treasurer who may or may not be on the board**
    i. Julie Theobald made a motion to nominate William Tencza in conjunction with the City finance department. Brian Warner supported. Unanimous approval

IX. Discussion regarding MPART and LDFA PFAS results

1. Jeff spoke about MPART and LDFA PFAS results and shared data with the board
2. PFECHS non-detect in the institutional control area
3. Brain commented that some properties may not be about the drink water standards but are right at the limit.
4. Jeff discussed that these are all private wells, municipal wells are PFAS free and always have been.
5. Matthew Schichtel asked about VOC's. Jeff shared more data. 20 wells tested, all came back non-detect for VOC's.

X. Additional PFAS testing? I series wells?

1. Jeff said all S(shallow) wells have been tested. I-5, I-6 are both done. I-1-I-13 would the board like the rest tested? Nothing can be changed.
2. Julie Theobald made a motion, Matthew Schichtel supported. Unanimous approval.

XI. Well Flow Project Update

1. Jeff talked about S-1 and S-2 wells we are able to intercept their flows and take them to the carbon filter. If EPA approves. We are working with the EPA on this.
2. Brian Warner asked about costs for exchanging/recycling carbon filters. Have not heard back from carbon person. Jeff will reach out again.

XII. Cadillac Monitoring QMP, ICIAP Proposal

1. Jeff spoke about QAAP, EPA approved. Wants QMP, ICIAP in place. QAAP is for VOC's and PFAS.
2. The cost for engineering consultant is $32,500. Jennifer Brown made a motion to waive bidding Julie supports with unanimous approval.
3. Julie made a motion to have Fleis & Vanderbrink do this work. Brian seconded, with unanimous approval.
4. Matthew commented on the fact that we have not been in compliance with the EPA as far as annual reporting is concerned for three years.

XIII. RFP Update- Environmental optimization services currently out to bid

1. Jeff explained that this is out to bid. Requested the LDFA board forms a committee to go over this & move forward.
    i. Committee: Matthew Shichtel & Brian Warner

XIV. Public Comment

1. Bill Barnett would like to see more testing, wants human health testing on the homes in the institutional control area.
2. Mary Galvanek concerned about public health crisis. Working with EGLE and Health Dept directly to help educate the public.
3. Mike Solomon spoke about the potential use of alternates for the LDFA board members. Would like some of the terms defined for public consumption. Likes the idea of meeting date being selected at the end of each meeting for the next meeting.

XV. Committee comments

1. Julie Theobald would like to see alternates being used. Also, would like to move toward an odd number of board members. Likes the civil conversation.
2. Brain Warner asked about meeting schedules. He thought the agenda was good, and it was a good effective meeting. Talked about the possibility of Chair and Vice Chair meeting before each meeting and going over the agenda.
3. Mike Hamner concerned that this is a problem larger than the LDFA. Worried about assessments. Would like City Council to address responsibilities in regard to the LDFA and PFAS.

XVI. Next meeting February 10th, 2025 at 11 AM

XVII. Julie Theobald motioned to adjourn Matthew Schichtel seconded at 1:16 PM with unanimous approval.