Local Development Finance Authority (LDFA) Board Minutes

A regular meeting of the LDFA board was held on Wednesday February 10th, 2025 at City Hall.

Call to Order: Meeting was called to order by Matthew Schichtel at 11:01 AM.

I. **Roll Call**
Present: Brian Warner, Marcus Peccia, William Tencza, Jennifer Brown, Julie Theobald, Matthew, Schichtel, Mike Solomon
Not Present: Mike Hamner, Emily Kearney, Caitlyn Stark
Staff Present: Jeff Dietlin, Owen Roberts
Michael Homier joined via zoom

II. **Approval of Agenda**
  a. Julie made a motion, Brian supported with unanimous approval

III. **Approval of minutes from January 15th Meeting**
  a. Matthew commented that some items were missing from the minutes of the last meeting. Which includes: The fact that we were 3 years behind on testing and remaining in EPA compliance, and the vote for the quality management plan and spending of $32,500 to have Fleis and Vanderbrink do the work rather than going to bid.
  b. Julie made a motion to push the approval of the minutes for the January 15th, 2025 meeting to the next meeting in March. Brian supported it with unanimous approval.
  c. Julie made a motion to have the roman numerals match the agenda. Brian seconded with unanimous approval.
  d. Julie made a motion to get the minutes to the board members quicker. Brian supported it with unanimous approval.

IV. **Public Comments**
  a. Mike Coy commented that the City is doing a good job. He would like there to be help for homeowners. He hopes homeowners will hook up to City water.
  b. Bill Barnett commented that residents need to be more informed. He would like to see grants for hooking people to the municipal water system. 150 wells should be fairly easy to hook up.
  c. Art Stevens commented that there is a good group of people on LDFA board. He said the board has a right to be involved in the LDFA budget. He appreciates the fact that the city is looking into grant writing. He looked at minutes from 2010 and listened to meetings over the summer where he was told there are no private wells in the institutional control area. He questions decisions that may have been made at that time.

V. **Committee Response to Public Comments**

a. Matthew explained that this is something new that some of the members of the board proposed. He asked what the actions were for the 3 families that were/are on private wells in the institutional control area? He asked that they be posted to the website to possibly help bring closure to these families.
b. Bill has a budget report that will be presented later for February.
c. 2021 EPA non-compliance needs to be documented in the minutes.
d. Matthew said that grants would be discussed later in the meeting. Julie asked about the Health Department or possible NMCAA? She said she would dig into it further.
e. Marcus asked about GLPAN possibly working with the city to create a list.
f. Matthew said there is a meeting Friday with GLPAN, some community members, and a couple of LDFA board members.
g. Mike Solomon said any help that can be given would be appreciated and is necessary.

VI. **Review of Old Actions**

a. Matthew explained that this was another agenda item that was proposed to hopefully bring closure to some of the earlier meeting actions.
b. Jeff explained that he sent additional meeting minutes to Owen they have not recovered all of them and will continue to update the website as they are found and/or recovered.
c. Julie asked about the public getting things printed out off of the website if they do not have access to a computer or phone. Marcus said that is not a problem, there will be no charge.
d. Matthew asked about some of the minutes being lost or not being able to be recovered. Jeff said that what he has found is that some of the files are corrupted so it is just whether those can be recovered.
e. Jeff said that any future meeting minutes will be posted to the website as soon as they are approved by the board.
f. Jeff said he has not added the MPART and LDFA well testing results. He had modified and updated the charts and wanted to show the board first.
g. Owen said that LDFA board will receive the financial audit and can possibly have that ready by the next meeting in March.
h. Bill will have budget and financial information monthly.
i. Matthew asked if it could be scheduled that once or twice a year Council be presented with any bylaw changes and verbiage changes that the LDFA board may want to make.
j. Marcus asked about revisiting quorum numbers, making an annual calendar for scheduled LDFA meetings. And having and even number of board members. He proposed that they could present this to council in parts or in full however the board would like to do it.

k. Julie asked about possibly adding an 11th member and the possibility of alternates. Marcus said that council and legal are looking into it. Marcus also wondered about possibly changing the verbiage in the bylaws so that the meeting times could be more flexible.

l. Matthew asked about Jeff giving quarterly LDFA updates to city council. Jeff said that he will start that next month and make it a part of the public agenda packet.

m. Matthew asked about the potential of getting delegation for members that have issues attending most of the meetings. Marcus said this was presented to legal, Matthew asked about timing. Jennifer asked about the state statute that school district has to have two members, can they have alternates? Mike Homier said that members are to be appointed by the CEO which he is assuming is the superintendent. There would be no ratification needed by City Council for the school or county seats. He also mentioned that if a new appointment is made in the middle of a term then the new member would finish out the original term. The same person can be appointed again. Marcus asked Mike Homier about adding additional members? Mike said that the state statute doesn't allow for that. It allows for seven city appointments, one county, one for the school district, and one for the industries. Bill previously asked about an attendance clause. Mike said that the statute does not go as far as removal due to lack of attendance. Removal would be by the entity that appointed them. Mike suggested defined terms for the bylaws.

n. Mike Hamner had previously asked about the drinking water standards and the ground water standards for PFAS be add to well testing results. Jeff said they have been added.

o. Jennifer Brown had also requested just a general summary statement of how many well tests were clean? Jeff said that summary has been created.

p. Brian asked about the status of the carbon filter disposal? Jeff said someone should be contacting him by the next meeting as the rep was out of town. Brian asked about a possible plan B? Jeff said the fact that they have some of our carbon right now that he would stick with them until we find out more information. Brian asked about recent change-out and when was the last time it was changed out. Jeff said that they changed vessels rather than the filter. The filter was last changed in 2009.

q. Jeff said he would update on the status of I-well testing later on in the agenda.

r. Jeff said that he is meeting with Catherine from the EPA regarding the well-flow project. He is not sure on approval.

s. Jeff is looking for board members to go over proposals for the environmental optimization services. Tetra Tech is the current company we work with. Bids range from $8,000-$69,690. Brian volunteered to work with Jeff on this. He mentioned narrowing the bids down. Marcus said to present all the data. A few can be prioritized, but all data needs to be presented to the board. Matthew, Brian, and Jeff will go over the proposals.

VII. City Update

a. Jeff updated on Marathon Dr. being out to bid. Got the state permit, council wanted a bid to have a price of connection from the main to the valve box and then also from the box to the house. Mike S. asked about how the cost breaks down. Jeff said it is per foot and also the cost of well abandonment.

b. Haring Twp.- Jeff has been trying to contact Bob Scarborough. He responds but there are no words in his emails. Julie asked if Jeff would attend Haring Twp. Board meetings. Jeff said he would go if City Council directed him to go. Jeff said he will try to call Bob and will have an update.

c. Jeff spoke about the delivery of bottled water to residents within the study area. We are still handing out bottled water at the water plant on 44 Rd. We delivered a case of water and a letter to the 58 residents in the study area instructing them to call us if they would like water delivered. We are delivering on Wednesdays until the residents get their water filter installed.

VIII. Discussions about current PFAS results

a. Jeff presented a summary table. He talked about the NPDES permit for the wastewater treatment plant, and what that is. He explained that the wastewater treatment plant is unique in the fact that if we are removing contaminants we have to follow limits per the NPDES permit, if we are discharging into the Clam River we have to follow surface water limits.

b. Jeff talked about the fact that 10 out of the 57 wells tested were non-detect. 46 out of 57 were below the state standard. He explained that right now the only standard that is officially active is the state one. 11 out of 57 were above the state standard. 49% are below the federal standard, meaning 51% will be above.

c. Marcus asked for clarification that if you have any detections of PFAS will you qualify for a filter? Rob from the health department said yes as long as you are within the study area.

d. Jeff talked about the testing of I-wells. We are retesting what is going through new carbon. These results came in before we had switched carbon. I-5 was above state standards. I-3 and I-11 are right next to each other but in different parts of the aquifer. I-11 is at 160 feet, and I-3 is at 200 feet. I-3 is non-detect, I-11 came in at 12 for PFOA this is above state and federal standards. S-2 tested at 10.8 and 14 these are duplicate samples. S-2 going to carbon filter. 9 of 15 tested above federal standards. Highest being S-2 at 14. Results will be on the website. Matthew asked about one of the private wells coming back with a level of 190, the limit on that is 51 for the state.

IX. Cadillac Monitoring Plans, QMP, ICIAP timing update

- **a.** Jeff said that the consultant is currently drafting a sampling plan now that the QAAP is approved. ICIAP is next, Fleis & Vanderbrink are taking this one step at a time.

X. Treasurer's Report

- **a.** Bill talked about the budget. TIFF plan will happen in March. General fund transfer in June
- **b.** Bill spoke about all three funds getting audited as part of the city audit. He is trying get information out to the public and get a better understanding himself.
- **c.** Matthew asked about legal fees, he said there is a budget of $6500 but he hasn't seen anything come out of that fund, and that legal fees are being paid out of the general fund. Owen said that legal fees come out of the TIFF capture that the $6,300 was for the months of July-October. That the LDFA has not incurred any legal fees since November.
- **d.** Jeff spoke about the initial budget proposal. He recommended wages are increased by $1,000. Additionally, that contractual studies increased by $9,000. He mentioned that utilities are way down but recommended that line item remain the same in case the EPA wants us to run the second tower.
- **e.** Owen spoke about the fact that TIFF dollars can be used for engineering studies. There is $50,000 in the capital budget for contractual studies. The budget will be done by April. Legal is Foster-Swift, the LDFA is not incurring billable hours and hasn't since November. Once things are more specific to LDFA legal questions it will be covered by TIFF or the operations budget.
- **f.** Brian Warner commented on the operating budget. He said that our main cost is utilities. Electric is around $150,000 per year. Can we manage these costs? Jeff replied that going down to one tower and proving to the EPA that we could still meet the standards for VOC's saves a lot of money on electricity.

XI. Grant Writing Update

- **a.** Brian Warner said this is beyond the LDFA. This is a city issue. He said he is looking everywhere for help. He thinks the City should look to the state and the federal government as much as possible. He has reached out to state agencies and leaders. State budget has begun.
- **b.** Marcus said Marathon Dr is moving forward even though we are not sure about outside funding. Anything we do get will likely not be retroactive and will go toward future projects.
- **c.** Brian talked about Grayling Twp. Receiving $80 million mostly from federal government. They also received $6 million from EGLE for connecting 400 wells to municipal water.
- **d.** Marcus said there is a nationwide class action suit. Cadillac could be a phase two party due to PFAS in groundwater. Even though there is none in the municipal water.

XII. PFAS Advisory Committee-County

a. Julie said the county doesn't have a lot to do with drinking water. She would like to see more involvement from the Health Department. Especially with PFAS.
b. Jeff said that this is beyond the LDFA at this time. We need to be cognizant of what is going on but this is outside of the LDFA. We need more of a global assist. Some LDFA board members should certainly be a part of an advisory committee.
c. Julie would volunteer to be on an advisory committee, Matthew would do the same.

XIII. Public Comment

a. Mary Galvanek briefed the board on what her and Susan Giftos have been working on. She mentioned that they are meeting with GLPAN Friday. A physician kit is being provided for PFAS. She asked that heat maps be provided to physicians. She is meeting with Joseph Fox Thurs. Owen & Jeff meeting with Mary and Susan. She is on board for the PFAS advisory committee.
b. **Jennifer Brown left the meeting at 12:59 pm**
c. Bill Barnett would like LDFA to take over the entire PFAS operation from city council. He wants to pass a resolution to test all wells in the city. Would like to see a new LDFA director hired. Commented on lack of testing. Wants the minutes online from 2008. Test by the Clam River.
d. Motion made by Julie Theobald to add to the minutes anytime someone leaves the room. Marcus Peccia supported with unanimous approval.

XIV. Committee Response to Public Comments

a. Brian Warner would be happy to be a part of an advisory committee for PFAS.
b. Matthew is a member of GLPAN- they have meetings the third Tuesday of the month. Thankful to Susan Giftos and Mary Galvanek.
c. Matthew responded to Bill Barnett that these are city council issues. There is strength in numbers.
d. Julie asked Mary Galvanek for a phone number for the public for people that don't have access to a computer.

XV. Committee Comments

a. Brian and Matthew met with EGLE. Brian said if you can get a filter please use it. It will reduce your risk.
b. Mathew is looking for subcommittees for water filter review, Grant writing, utility costs, delegation. By-laws.
c. Julie asked for an update on Kevin Foster being tested. Jeff said as far as he knows his well isn't operational, there is not electricity. Kevin has given permission for the test to happen. Getting power there is the issue. Julie said she will facilitate. Kevin can get a generator and someone will pay his fees.
d. Julie is looking for information on loans to help pay for people to hook up to city water. She will dig into this.

e. Mike Solomon asked about a yearly schedule. Matthew said the board wants to get there eventually.
f. Matthew asked who reviews the minutes normally. Jeff said it was him and that he got busy with some other issues.

A. Next meeting is set for March 12th at 11 AM

XVI. Matthew Schichtel adjourned the meeting at 1:15 pm supported by Bill with unanimous approval.