

Local Development Finance Authority (LDFA) Board Minutes

A regular meeting of the LDFA board was held on Wednesday March 12th, 2025 at City Hall.

Call to Order: Meeting was called to order by Chairman Schichtel at 11:00 AM.

I. Roll Call

Present: Schichtel, Peccia, Warner, Tencza, Hamner, Solomon, Brown, Theobald, Stark

Not Present: Kearney

Staff Present: Jeff Dietlin, Owen Roberts, Caitlin Torrey

Michael Homier joined via zoom

II. Approval of Agenda

a. Theobald made a motion supported by Warner with unanimous approval.

III. Approval of minutes from January 15th Meeting and February 10th meeting

a. Solomon made a motion supported by Warner with unanimous approval

IV. Public Comments

a. Brad Marine* asked about using LDFA funds to purchase carbon filters for residents. Asked why it says the board meets as necessary, when the bylaws say meetings are to be held once a month. He commented on PFAS not being included in the LDFA he says it should be that the plan for this board never specified which contaminants they are responsible for.

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V. Committee Response to Public Comments

- a. Schichtel said looking to advocate for well, blood testing, and filters using possibly LDFA funds. He asked Peccia about the board not meeting once a month in the past. Marcus stated that the board previously met as needed for status updates. Schichtel is concerned that the 2 informational meetings a year for the public are not being met per the City website.
- b. Warner commented that there are a couple of pretty clear places such as the NPDES permit where the list of contaminants that need to be cleaned up are listed. He doesn't believe that LDFA has a responsibility to pay for PFAS issues. We need to collaborate with the EPA. They just recently asked about PFAS The source of PFAS is unknown at this time. It is considered an orphan contaminant. They have asked for a number of wells to be tested.

VI. Review of Old Actions

- a. Jeff spoke about old paper minutes that were updated on websites. They previously had one to two meetings a year as needed.

- Schichtel said there should be 410 meeting minutes available if the board was meeting monthly. There is currently 23 sets of minutes available. 6 of them didn't have a quorum. Marcus said that he is the longest standing member of the board. He has been a member since 2009. Schichtel commented that that means that there is at least 15 years with no minutes posted. He asked for more urgency to get the minutes up as he asked for this to happen 5 months ago. Said there has to be some emails somewhere with minutes sent to board members for approval.
 - Hamner commented that he has been a member for 5 years and as long as he can remember they have only ever had meetings as needed.
 - Warner asked if we can be good on this issue. Schichtel said he thinks so he would just like more accountability. Solomon asked if historically bylaws have always had language about monthly meetings. Marcus said he was not sure as these bylaws were just discovered in August. He is unsure if in past minutes they amended the bylaws.
- b.** Owen spoke about the 50% requirement that 50% of costs be covered by assessments if there is a power generating facility in the TIFF area. Between 2005-2007 the debt was paid off so no tax captures were taken from the power generating facility. Owen asked the attorneys to write a letter summarizing this requirement.
- Warner talked about the TIFF fund and said we could run the facility with these funds
- c.** Jeff said he would be on a conference call this afternoon 3/12 about carbon filter disposal. We have time to get the carbon, we just switched out filters. He would however like to have a back-up ASAP.
- Warner said that they should give us documentation when there is a change-out, and when it is rejuvenated. Jeff said we have documentation from past change-outs.
 - Schichtel asked about how many gallons could go through the filter before it needs to be changed out. Jeff stated that it goes more by how much contamination is removed. Usually you can tell if you end up getting a breakthrough of contamination. LDFA has always been well below criteria, there has never been any NPDES violations.
 - Solomon asked how often we need to test the carbon. Jeff stated that it used to be monthly but now we are only required to do it quarterly.
- d.** Jeff spoke about the fact that we owe the EPA a diagram of the S1 & S2 wells being added to the I5 carbon filter.
- e.** Warner gave a quick review of Geosyntec and why he feels that they are the best choice. He feels that they have a depth of knowledge when it comes to

PFAS and experience with the City system. Geosyntec offered the lowest bid amount with the most PFAS experience coming in at \$28,400.

- Schichtel made a motion to approve Geosyntec as the new environmental consultant at a cost of \$28,400. Motion supported by Tenzca with unanimous approval.
- f. Schichtel talked about compliance issues with the Open Meetings Act, and the LDFA bylaws. He would like annual reviews of the Open Meetings Act, and the LDFA bylaws by all members of the board. He also asked for 4 quarterly reports, and the August Kysor report to be submitted to City Council.
- Solomon would like to see informational meetings be a part of the regular meeting. It would be a stand alone agenda item.
 - Theobald asked about doing April & October informational meetings.
 - Brown suggested doing them on the same day as the regular meetings back to back.
- g. Jeff spoke about the three wells in the institutional control area. He said there is no documentation of other wells in the area being closed 1980's. All three wells in the ground will be hired out in spring or summer. He will post the reports from the Health Dept. once the wells are closed. One of the 3 residents in the area wants to remain on his well. He is trying to gently convince him to connect to the municipal system. A second resident still does not have power to get water tested. He has not spoken to the third family, they know they must abandon their well. He is waiting for them to decide when they are ready.
- Brown asked if there should be a deadline to get the wells abandoned. Maybe that would help clarify. Jeff said if it gets to summer and nothing has come of it he will give them a definitive date.
 - Solomon asked if the ordinance required wells to shut down, the answer is yes.

VII. City Update

- a. Bids for Marathon Dr came in on 3/11/25. They range from \$279,000-\$420,000. They are under review by engineers, \$300,000 was estimated should be able to come in under that. Engineering costs are \$15,000 on top of these bid amounts. The bids do include well abandonment costs. Lobbying state and federal for outside funding. Marcus will be in Lansing next week.
- b. Jeff has not heard back from Haring Township supervisor Bob Scarbrough. He thinks they are reviewing things. We took 4 pallets of bottled water to them. We have been delivering 50+ cases of water to homes in the study area including in surrounding townships. Also including people that have filters until we get low

on our supply then we will have to prioritize people that have not yet received filters.

- Peccia clarified that Mary St would be looked at similarly to Lake Mitchell Sewer Authority in that there is no annexation. Solomon asked if this had been clearly stated. Jeff said yes. Solomon asked If Jeff could write a formal letter to the township stating that.
- Theobald asked about contracting with the City for billing purposes. Jeff said the City would bill the homeowners directly. There would be a master meter for the township and then each home would have their own individual meter. Surcharges would be discussed with the township.
 - c. Theobald said that both NMCAA and the Health Department have a program but the homeowners need to call because there are certain criteria that need to be met. She said that she will keep looking for other options. Brown asked if Theobald could get with the United Way to get this info on 211.

VIII. Quarterly Regular Report

- a. Jeff asked to move the quarterly report to April or May so that he can get all test results. 63% of LDFA budget goes to utilities, 13% to wages, 11% to testing. He talked about the breakdown of the utilities. 90% is electricity with 9% being gas 1% being water.
 - 794,000 gallons of water went through the plant in 2024. 23.9 billion gallons have gone through the LDFA treatment plant year to date.
 - 106 lbs of VOC's were removed in 2024, VOC's have continued to trend downward.
 - Hexavalent chrome has been detected at 0 since 2008.
 - If Northern site is closed, we would not close down any wells. Just the site.
 - Theobald asked Peccia if the public could get this quarterly report printed out at no charge. Peccia said yes it may be in black and white.
 - Warner said that the cleanup is going well. 20 homes were tested by the state of Michigan for VOC's at the same time that they tested for PFAS. They did random selection and all homes were located in the broad area of the LDFA. They all came back non detect for VOC's
 - Solomon asked about money saving opportunities if we had our local lab test rather than contracting. Jeff said that our lab no longer has the capacity to do these tests.
 - Schichtel asked that this quarterly report packet be distributed at the next council meeting in their meeting packets.

IX. Update on Cadillac Monitoring Plans, QMP, ICIAP Timing

- a. Jeff said that the VOC QAAP has been approved by the EPA. The PFAS QAAP is under review. We need to submit an updated sampling plan to the EPA that includes PFAS. Fleis & Vanderbrink is working on this. The first set of testing Jeff wants to be the larger annual test. We will then go to quarterly samples and work the annual one back into the normal fall timeline. There will be quarterly PFAS samples, the samples for PFAS are taken before and after treatment. Annual tests include 4x the amount of wells that are tested in comparison to the quarterly testing. I-5 is the only well that has carbon treatment currently.
- The EPA needs to complete the 5 year report, and review the PFAS QAAP. We need to inventory monitoring wells, Jeff would like to do all the testing at once. Matt would like to be involved in QAAP for PFAS. Fleis & Vanderbrink has already submitted a draft.
- Solomon asked about potential subcommittee so that others can possibly be involved if they would like to.

X. Treasurer's Report

- a. Tencza talked about meeting with Consumer's about utilities rates. Need a rate review. The TIFF capture will be posted next month.
 - Owen spoke about the finalized budget. General Fund is picking up a lot of these expenses.
 - Tencza asked about accounting for closure costs. He wondered if there was an amount that would need to be reserved just for closure costs. Owen said an engineering firm would estimate it. Nothing states at this time that there is any specific amount that needs to be reserved.
 - Jeff commented that Geosyntec could easily come up with a preliminary closure cost at an additional cost to the board.
- b. Motion made by Theobald to approve the finalized budget. Supported by Warner with unanimous approval.

XI. Grant Writing Update

- a. Peccia said that City staff outside of utilities is helping with grant writing. He said he will be in Lansing next week to lobby for funding.
- b. Warner suggested that we may be able to receive funding from EGLE and Consumer's as well.

XII. Consider a letter(s) of support for the City's community benefit funding request

- a. Theobald has reached out to Senator Hoytenga, and Representative Roth for letters of support. Peccia asked who will be collecting these letters. Warner will collect them and get them to Peccia. Peccia would like to see them turned in by March 17th so that he can take them with him to Lansing. Theobald stated that she would like to continue getting letters of support, beyond these grants because there likely will be more grants coming out in the future.

- b. Motion made by Brown and supported by Theobald to accept the resolution presented by Schichtel and Warner with unanimous approval.

XIII. Public Comment

- a. Carla Moore suggested that homeowners visit USDA.gov about home improvement loans to help with costs of hooking up to municipal water. Jeff needs a new computer. Maybe try backing up to a cloud?
- b. Brad Marine* said his goal is to hold people accountable. Why didn't the members have a copy of the bylaws? Concerned about the EPA asking for testing of PFAS in 2020. LDFA held a secret meeting in 2020. Open Meetings Act is being violated.
- c. Bill Barnett talked about the fact that the City needs to work on more streets to hook up to the municipal system. All contaminants are the LDFA responsibility. 6 years of information skipped at city council meetings. These meetings need to be on CCTV. There are 2 wells between Lincoln Elementary and the Clam River. The City needs to change where the discharge is going. He received 5 minutes to speak per Chairman Schichtel due to missing the first portions of public comment. He would like to see a blanket testing plan for PFAS throughout the city.
- d. Art Stevens* he talked about the two grants with Senator Peters and Congressman Moolenaar. The support documents can be added after the grant is submitted. Commented on following the steps from the 2018 ordinance for well abandonment in the institutional control area.

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XIV. Committee Response to Public Comments

- a. Peccia said these meetings are being streamed live via CCTV and then posted on YouTube for the time being because Charter Spectrum does not currently have a link to our building.
- b. Schichtel thanked Art Stevens and Bill Barnett for comments. He said that record retention is important. He told Brad Marine that accountability is his highest concern.

A. Jeff left the room at 1:10 pm and re-entered at 1:11 pm.

- c. Theobald thanked Carla Moore for her suggestion to visit the USDA website. She also thanked Warner and Art Stevens for their efforts working on grants.

XV. Committee Comments

- a. Warner said that the focus must be on solutions and moving forward rather than looking to the past. We need to present a united front. This is important for grant writers to see. We need to work together.
- b. Schichtel commented that he would like to ensure compliance is being followed with the EPA and the Open Meetings Act along with the LDFA bylaws. He asked

that the verbiage that states the LDFA board meets as necessary per the chairman of the board be removed from the City website. He would like to see the things presented to the board be the same as what is presented to the public.

- c. Stark commented that we are spending too much time going over certain topics. Would like to know what the solutions to the PFAS issue are rather than continuously going over the same issues over and over again.
- d. Schichtel responded that he does not believe that his fellow board members have a problem with the length of the meeting due to the importance of these issues.
- e. Theobald would like to see a Wastewater Treatment Plant day that the public can come and tour the facility. Jeff responded that we have always offered tours to anyone that asks for them.
- f. Solomon commented that we need to move forward. We need to correct what we can and turn the page. Said that Stark deserved to be heard and not responded too.
- g. Brown said that she would like to appoint Nate Swigert to the board rather than Emily Kearney. It just doesn't make sense for them both to be away from the office at the same time. Peccia said that it may have to be an appointment made by the school board or city council.

A. Next meeting is set for April 23rd at 10:30 AM

- XVI.** Theobald adjourned the meeting at 1:18 pm supported by Warner with unanimous approval.