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www.oshtemo.org

**SOUTH DRAKE ROAD CORRIDOR IMPROVEMENT AUTHORITY
Board of Directors**

North Conference Room
Oshtemo Township Hall
7275 West Main Street

Wednesday
December 4, 2019
12:00 p.m.

AGENDA

1. Call to Order
2. Approval of Minutes – July 10, 2019
3. Public Comment
4. Treasurer's Report
 - a. June through November 2019
5. Drake Road Path
 - a. Update from Public Works
 - b. 2019 Snow Removal
6. 2020 Schedule
 - a. SODA meetings
 - b. Two Informational Sessions
7. Adjournment

THE CHARTER TOWNSHIP OF OSHTEMO

DRAFT MINUTES

South Drake Road Corridor Improvement Authority (SoDA) July 10, 2019

SoDA Board meeting was held at the Township Hall. The meeting was called to order by Chair Ashley at 12:02 p.m.

MEMBERS PRESENT:

Corey Ashley, Chair
Joe Gesmundo
Libby Heiny-Cogswell
Dennis Patzer, Treasurer
Galen Rike
Kelly Bringman

MEMBERS ABSENT:

Cheri Jodoin, Vice Chair
Theresa Spurr
Christine Morse

Also present were Planning Director Julie Johnston, Township Attorney James Porter and Public Works Director Marc Elliott.

Election of Officers

Director Johnston started the meeting to assist with the election of 2019 Officers. She indicated that the normal procedure was to nominate a person for a position, receive affirmation from that person that they wish to hold office, and then make a motion to approve that person for that office. Director Johnston reviewed the current officers, which are Chair Ashley, Vice Chair Jodoin, and Treasurer Patzer, and then asked for nominations.

Mr. Gesmundo asked if the same slate of officers were willing to continue in 2019. Ms. Patzer and Chair Ashley indicated they were willing.

Mr. Rike made a motion to approve Corey Ashley as Chair, Cheri Jodoin as Vice Chair, and Denny Patzer as Treasurer. Mr. Gesmundo seconded the motion. The motion was approved with a vote of 6 to 0, with 3 absent.

Minutes

Chair Ashley asked if there were any additions, deletions or corrections to the minutes of September 26, 2018. Hearing none, he asked for motion to approve the minutes.

Mr. Patzer made a motion to approve the minutes of September 26, 2018 as presented. Mr. Gesmundo seconded the motion. The motion was approved with a vote of 6 to 0, with 3 absent.

Public Comment

None.

Treasurer's Report

Chair Ashley asked for the Treasurer's report. Ms. Johnston indicated the main activities that occurred in 2018 were a budget adjustment and a payment to the Township for the Drake Road Path. The budget increase of \$30,000 from the SoDA fund balance was to cover the 2017 annual payment, which was not made during that fiscal year. A total of \$60,000 was paid to the Township in 2018.

For 2019, revenue is the main activity to discuss. SoDA received \$73,207 in tax revenue, \$40,707 more than anticipated. This is great news for the Authority as revenues are beginning to align with the SoDA Tax Increment Financing Plan, which indicates we should be collecting around \$76,000 in 2019.

No expenditures have occurred yet in 2019. We will likely have additional expenses beyond the Drake Road Path payment to the Township for snow removal maintenance.

Mr. Porter also indicated that Costco's tax tribunal settlement will affect the tax capture of the District. The reduction in evaluation of the store will require a refund to Costco and will also affect continuing TIF revenue collected by the Authority. Ms. Johnston indicated the Board may wish to be conservative when budgeting for 2020 since we are not sure of the impact of the settlement.

Mr. Gesmundo asked if the payment to the Township on the Drake Road Path was a one-time payment. Ms. Johnston indicated that it is intended to be an annual payment to help reimburse the Township for the Drake Road Path. The Memorandum of Understanding related to the payments is on the agenda for discussion. Mr. Patzer indicated he saw the costs of the Drake Road Path as being "fronted" by the Township and the Authority is paying back the "loan."

Mr. Rike made a motion to approve the Treasurer's Report. Mr. Patzer seconded the motion. The motion was approved with a vote of 6 to 0, with 3 absent.

Drake Road Path Update

Marc Elliott, Public Works Director provided an update on the Drake Road Path.

He indicated that the project had a slow start at the beginning of the spring due to the rain, but since then things had been going well until we ran into a utility problem. All of the utilities were notified in October of 2018 of the project, allowing them time to move their infrastructure out of the way of the path. This did not happen at the north end of the project, just south of West Main Street. Consumers Energy did not move their infrastructure. These are active service lines, so there must be coordination with adjacent properties before they can be moved. The development of the path from about Lowes to West Main St. has been placed on hold until the utilities/fiber optics can be moved.

Everything else for the portion of the path that was intended to be built this year is more or less done, except for final restoration.

Mr. Rike asked about the “closed” signs he sees up and down the path. Mr. Elliott indicated these are needed because the path is not complete.

Mr. Elliott indicated there is one item outside of the project scope that the Township is considering completing. The sidewalk currently ends 60-feet from Green Meadow Road. He indicated MDOT and the Road Commission are content to leave this 60-foot undone until the next segment of the path moves forward, as this was not included in the project scope for this first phase. Unfortunately, the next segment, which is also supported by an MDOT grant, is being held up by the problems between MDOT and Amtrak.

Mr. Elliott indicated that the Township is exploring ADA requirements and Road Commission rules to see if we can complete this 60-foot this year. Currently, the Road Commission is saying we need to install ramps and pedestrian crossing lights, which will cost additional funds outside of the grant. This will have to be a decision of the Township Board.

Ms. Johnston asked why MDOT and the Road Commission are okay with the sidewalk just ending before it intersects with a road. Mr. Elliott indicated that he believes it was a mistake in the site design when the project was segmented into different grant funding sources. The intersection improvements at Green Meadow are included in the Safety Grant, which is being held up by Amtrak. Mr. Elliott indicated a sign will be placed that indicates the sidewalk ends.

Ms. Johnston asked if there was any update on the Amtrak negotiations. Mr. Elliott indicated that he heard from MDOT employees that there hasn't been much headway in moving negotiations forward.

Ms. Heiny-Cogswell says that she has seen people utilizing the path, which makes this all worthwhile.

Chair Ashley asked if there were any further questions from the Board. Hearing none, he moved to the next agenda item.

2018 Draft Budget Discussion

Memorandum of Understanding

Chair Ashley outlined the new Memorandum of Understanding that was in the agenda packet and asked if there were any questions. As Mr. Patzer pointed out the need for a budget amendment for 2019 if we were to approve this Memorandum.

Ms. Johnston indicated the amended Memorandum indicates a payment of \$65,000 for 2019 through 2023. The Board may wish to reconsider this amount based on the information we received regarding the Costco settlement.

Mr. Patzer believed \$60,000 would work based on the revenue we received this year and the Board's available fund balance. Mr. Rike indicated his agreement at \$60,000.

Mr. Gesmundo asked how much the Township has spent to date on the project. Ms. Heiny-Cogswell indicated she believed it was at least \$1 million.

Ms. Johnston stated the previous draft Memorandum had the payments to the Township going to 2043 and were for approximately \$1.1 million. The revised draft agreement now indicates payments through 2035 for a total of \$1.3 million. Mr. Patzer indicated we should continue to try and pay the \$1.3 million and extend it out a few years to cover the reduced payment of \$60,000 between 2019 and 2023. The Board agreed with this approach.

Mr. Patzer made a motion to amend the 2019 budget to increase the capital outlay/obligated projects line item from \$30,000 to \$60,000. Ms. Bringman seconded the motion. The motion was approved with a vote of 6 to 0, with 3 absent.

Ms. Johnston asked the Board if they were comfortable with her making the changes to the Memorandum of Understanding and then having Chair Ashley sign it.

Mr. Patzer made a motion to approve the amended Memorandum of Understanding and to have Chair Ashley sign the document. Ms. Bringman seconded the motion. The motion was approved with a vote of 6 to 0, with 3 absent.

2020 Budget

Mr. Ashley moved on to the 2020 budget discussion. Ms. Heiny-Cogswell suggested taking the property tax down to \$70,000 and the capital outlay line item down to \$60,000.

Mr. Patzer indicated he approved the increased in maintenance line-item for snow removal.

Chair Ashley asked if the Board should go out to bids on snow removal. Ms. Johnston indicated that needs to be considered and asked if the Board could finish the budget discussion and then add it to the agenda. Mr. Gesmundo asked if the Board could assign that decision to the Township. Attorney Porter indicated that was possible, and recommended the Board consider a cap on funding.

Chair Ashley asked if there was a motion to approve the 2020 draft budget. Mr. Gesmundo made a motion to approve the 2020 draft budget as amended. Mr. Patzer seconded the motion. The motion was approved with a vote of 6 to 0, with 3 absent.

2019 Snow Removal

Discussion continued regarding snow removal. Ms. Heiny-Cogswell indicated the Township maintenance staff could manage the snow removal for the path. She suggested allowing them to do it the first year. Mr. Patzer asked if they have an hourly rate. She stated they just track their hours on the project and then would bill it to the Authority.

Chair Ashley said he would like to understand costs before agreeing to the Township proposal. Ms. Johnston asked if the Board wanted to put a committee together to discuss costs. Mr. Patzer indicated he would assist Chair Ashley on the committee.

Ms. Johnston stated she will get the Township's costs and request a "back of the envelop" cost from snow removal companies. Ms. Johnston asked if the Board wanted to give the committee the authority to decide on who should complete the snow removal in 2019.

Mr. Gesmundo moved to grant the committee the authority to enter into a contract for snow removal this winter season. Mr. Rike seconded the motion. The motion was approved with a vote of 6 to 0, with 3 absent.

Public Act 57 of 2018 Overview

Ms. Johnston indicated the new Act requires some additional documentation to the State, website updates of SoDA's activities, and at least two annual informational meetings. Many of the website requirements have already being met, although not on a single SoDA webpage. Staff will continue to work with the Clerk's office to find ways to consolidate the required information on to a single SoDA webpage.

The Board will need to discuss the two informational meetings that are required. We will need to select dates so the meetings can be publicized. These meeting do not have to be official Board meetings but can be meetings designed to inform the public of the goals of the Board and the projects SoDA is financing. Ms. Johnston asked the Board how they would like to proceed with the meetings and the necessary outreach.

The Board decided on an open house at the Nottingham Apartments community building in September from 5:00 to 6:00 pm and a second meeting at a SoDA year-end meeting in December. The SoDA meeting was scheduled for Wednesday, December 4th at noon and the public information open house at 1:00 pm.

Any Other Business

Chair Ashley asked if there was any other business before the Board.

There being no further business, the meeting was adjourned at approximately 1:02 p.m.

Minutes prepared:
September 25, 2019

Minutes approved:



November 26, 2019

To: SoDA Board

From: Iris Lubbert, AICP
Planning Director

Re: Treasurer's Report

Attached you will find the Treasurer's Report for June 1st through November 31st for 2019, unaudited.

The main activities for this period were a budget adjustment and a payment to the Township for the Drake Road Path. The 2019 budget amendment to increase the capital outlay/obligated projects line item from \$30,000 to \$60,000 was approved by the SoDA Board at their special July 10th, 2019 meeting. The Township invoiced, see attached, the \$60,000 for the Drake Road Path on October 17th, 2019.

This year SoDA has received a total of \$73,789.61 in tax revenue to date, \$41,289.61 more than anticipated. This is great news for the Authority as revenues are beginning to align with the SoDA Tax Increment Financing Plan, which indicates we should be collecting around \$76,655 in 2019.

An expense that was applied to the SoDA budget that was unexpected was a repayment to the County for taxes collected in error, which totals \$1,920.87. The Township captured mills from the Costco Development that were not ours to capture.

When reviewing the Treasurer's Report please also note the Account Fund Balance. In preparing the report it came to staff's attention that the audited \$41,072.00 from the 2018 Year End Fund Balance was not being fully included. This is good news as it appears that including the full 2018 Year End Balance increases the Authority's Account Fund Balance by approximately \$25,000.00.

Attachment: Treasurer's Report June through November 2019
\$60,000 Invoice from Township

SOUTH DRAKE ROAD CORRIDOR IMPROVEMENT AUTHORITY
Treasurer's Report - Through November 31, 2019

REVENUES	2019 Original	Previous Activity	Activity this Period	Available Balance	Percent of Budget
Carryover	\$5,300.00	\$5,300.00	\$0.00	\$5,300.00	6.70%
Current Real Property Tax	\$32,500.00	\$73,193.37	\$0.00	\$73,193.37	92.54%
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Interest Earned	\$0.00	\$14.26	\$581.98	\$596.24	0.75%
TOTAL REVENUES	\$37,800.00	\$78,507.63	\$581.98	\$79,089.61	100.00%

EXPENDITURES	2019 Amended Budgeted	Previous Activity	Activity this Period	Total Activity	Available Balance	Percent Used
Salary-Staff	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Postage	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Consultants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Accounting & Audit Fees	\$300.00	\$0.00	\$0.00	\$0.00	\$300.00	0.00%
Legal Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Legal Notices	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
BOR/MIT Refund	\$0.00	\$0.00	\$1,920.87	\$1,920.87	-\$1,920.87	100.00%
Repairs/Maintenance	\$7,500.00	\$0.00	\$0.00	\$0.00	\$7,500.00	0.00%
Capital Outlay/Obligated Projects	\$60,000.00	\$0.00	\$60,000.00	\$60,000.00	\$0.00	100.00%
Capital Outlay/Land Acquisition	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
TOTAL EXPENDITURES	\$67,800.00	\$0.00	\$61,920.87	\$61,920.87	\$5,879.13	91.33%

2018 YEAR END FUND BALANCE (AUDIT)	\$41,072.00
2018 CARRYOVER	\$5,300.00
2019 REVENUES	\$73,789.61
2019 EXPENDITURES	\$61,920.87
2019 REMAINING BALANCE	\$11,868.74

ACCOUNT FUND BALANCE: \$52,940.74

Oshtemo
Township
7275 W. Main
Kalamazoo MI, 49009



Bill To:
SoDA
7275 W. Main
Kalamazoo, MI 49009

INVOICE # 10078

Date: October 17, 2019

STATEMENT

Invoice #	Description	Rate	Quantity	Due	Balance
10078	Drake Road Non-Motorized Path – 2019 SoDA Payment	\$60,000.00	1	\$60,000.00	\$60,000.00
Total Due					\$60,000.00

PAST DUE BALANCE

Invoice #	0-30	30-60	60-90	90+
10078	\$60,000.00			

Please make all checks payable to: **Oshtemo Township**
Invoice # 10078

Attention:
Oshtemo Twp Treasurer's Office
7275 W Main
Kalamazoo MI, 49009

Total Due:
\$60,000.00



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South Drake Road Corridor Improvement Authority (SoDA)

Meeting Location - Oshtemo Township Hall

Proposed 2020 Meeting Dates (Wednesdays at noon)

June 3rd

December 2nd