

**BATTLE CREEK TAX INCREMENT FINANCE AUTHORITY**

**Tuesday, February 20, 2024**

At a regular meeting of the Battle Creek Tax Increment Finance Authority (BCTIFA) held on Tuesday, February 20, 2024, at 3:40 p.m. located at the Frederick R. Brydges Customs Cargo Center, BCU Office Board Room. The following individuals were in attendance: Messrs. Christensen, Claywell, Wilson, Woodard, and Mmes. Darner, Fleury, Straub, Visger, and White.

Absent: Messrs. Hodge and Smith.

Also, in attendance were: Messrs. Corder, Dearing, Kroll, Brent Pruim (Rehmann via Zoom), Sobieralski, and Mmes. Jones, Woodin, and Young.

Ms. White called the meeting to order at 3:40 p.m. Roll call of attendance was recorded.

**PRESENTATION OF AUDIT ENDING FY JUNE 30, 2023**

Mr. Brent Pruim with Rehmann presented highlights of the audited financial statements ending June 30, 2023. Mr. Pruim noted there were no issues or concerns to report. The audit is unmodified, clean opinion, and the highest level of assurance you can receive on the financial statements. There have not been any significant changes over the previous years. The audit was included in the board package.

**INTRODUCTION OF NEW BOARD MEMBERS**

Mr. Jason Woodard introduced himself as Plant Manager with Geislinger Corporation. He has worked in operations for thirty years, including facilities at Magna Cosma Castings, Janesville now Motus, and lives on the northside of Battle Creek. Board Member introductions were made around the room.

**APPROVAL OF REGULAR MINUTES**

MOTION: Ms. Fleury moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the November 21, 2023, regular meeting minutes as presented. Mr. Christensen supported the motion, and it was unanimously approved.

**APPROVAL OF AUDIT ENDING FY JUNE 30, 2023**

MOTION: Ms. Straub moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the audit ending FY June 30, 2023, as presented. Ms. Darner supported the motion, and it was unanimously approved.

**APPROVAL OF ANNUAL REPORT FY 2023**

Ms. Woodin from the City of Battle Creek Finance Office presented highlights of the BCTIFA Annual Report which was included in the board package. The information is retrieved from the audit, completed annually, and is filed with the State of Michigan.

MOTION: Ms. Fleury moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the Annual Report for FY 2023 as presented. Ms. Visger supported the motion, and it was unanimously approved.

### **RFP LEGAL COUNSEL**

Ms. Jones stated that Clark Hill is the current legal counsel for the BCTIFA, BCBRA, and BCLDFA. The firm was hired in January 2021 after the retirement of Daryl Mumford, who served as legal counsel for over 35 years. However, due to staff changes at Clark Hill, staff put out an RFP for new legal counsel. Staff solicited proposals from several regional firms. Two bids were received, one from Clark Hill and one from Kreis Enderle. The attorney that is a City Commissioner and is employed by Kreis Enderle will not participate in any BCTIFA, BCBRA, and BCLDFA matters to prevent any conflict of interests. Staff recommends that BCTIFA enters into a three-year contract with Kreis Enderle for legal counsel.

MOTION: Ms. Straub moved that the Battle Creek Tax Increment Finance Authority Board of Directors accepts the recommendation from staff regarding the new legal services and recommends moving forward with Kreis Enderle as presented. Mr. Wilson supported the motion, and it was unanimously approved.

### **DENSO ROAD LIGHT POLE**

Mr. Corder stated that the City of Battle Creek is proposing to upgrade the stop light at Hill Brady Road and Denso Road. Staff at the Department of Public Works (DPW) are concerned that the pole is too close to Hill Brady Road. DPW is proposing to move the pole approximately 20 feet south and 10 feet west of its current location, which would move it across the Linear Path. DPW also plans to upgrade the existing wood pole to an aluminum pole. The city is requesting an easement from the BCTIFA to allow for the pole's new location. The DPW staff will survey the location and the City Attorney will draft the easement language. There will be no cost to BCTIFA. Relocation of the pole should only take a day and have minimal impact on traffic through the Fort Custer Industrial Park. The DPW staff expects the new pole to be installed in the Spring.

MOTION: Mr. Wilson moved that the Battle Creek Tax Increment Finance Authority Board of Directors recommends staff enter into an easement agreement with the City of Battle Creek for the Denso Road light pole as presented. Ms. Straub supported the motion, and it was unanimously approved.

### **AIRPORT REQUEST/UPDATE**

Mr. Kroll presented a request for additional funding in the amount of \$38,277 for the completion of the airport administration, operations, and maintenance facility office area improvements. The purpose of the project was to relocate the administrative assistant workspace to a more environmentally friendly portion of the building. After negotiations with the contractor, a bid of \$65,050 was recently received. Staff did not consider additional work items such as relocating a sprinkler system and ventilation ductwork into the initial estimate of \$30,000. He stated that the City

Commission will approve the contract with the contractor at the meeting this evening. He is requesting additional funding to cover the project.

The Board suggested that the airport continue with the proposed construction project. The Board appreciated the transparency; however, the FY 2024 Airport Capital budget was not over budget, and the Board did not plan to increase the budget at this time.

Ms. White stated that there were previous discussions for developing a Memo of Understanding (MOU) directly for the airport budget so that it offers contingency on projects. She will work with staff to develop a MOU.

Mr. Kroll presented an update on projects from Airport FY 2023/2024 Capital budget projects.

In addition, the Board requested future airport budgets include a new column named Forecast.

The Board asked staff to schedule an airport tour to include: Battle Creek Executive Airport, WMU College of Aviation, Duncan Aviation, and WACO for the end of April.

### **TIMBER REQUEST**

Mr. Corder stated that in late January, BCU was contacted by an individual interested in harvesting some timber from the Fort Custer Industrial Park. The individual was specifically interested in PIN # 3021-01-105-0; this is approximately 16.3 acres, located along Hill Brady Road and Reese Road. He identified ten trees and offered \$12,500 in total. The funds are to be paid in full prior to harvest and proof of insurance.

Mr. Corder stated that in the past several years, there have been multiple incidents of unauthorized harvesting in the industrial park. Several individuals were caught by police; however, it is unclear how many trees were taken from the industrial park and their value. The proposed parcel was one that had trees taken from it.

Staff have contacted other regional companies for quotes for the same site to determine if this proposal is competitive in terms of the market rate. The BCTIFA is also going to do tree trimming along the roadsides. Staff is also working with the City of Battle Creek's arborist. BCTIFA owns approximately 1,000 acres of undeveloped land which could generate some revenue. These funds could in turn be used to replant trees in the industrial park. Staff is in the process of getting quotes to determine costs for planting trees in the park.

Mr. Corder stated that there are two considerations. Staff is seeking a motion to approve the sale of timber from PIN # 3021-01-105-0 either from this individual or best offer. Secondly, approval for staff to seek proposals for additional harvesting from the Fort Custer Industrial Park that could generate funding up to \$100,000-\$150,000 for strategic harvesting.

**MOTION:** Mr. Christensen moved that the Battle Creek Tax Increment Finance Authority Board of Directors allow staff to entering into negotiations for timbering of the 16.3 acres (PIN # 3021-01-105-0) for the best vendor for the project, and that the land is left in good condition. Ms. Darner supported the motion, and it was unanimously approved.

MOTION: Mr. Woodard moved that the Battle Creek Tax Increment Finance Authority Board of Directors allow staff to seek proposals for additional harvesting in the Fort Custer Industrial Park as presented. Ms. Visger supported the motion, and it was unanimously approved.

### **PROSPECT/PROJECT DEVELOPMENT UPDATE**

Mr. Corder reported on the following items:

**Meeting Schedule** – the proposed meeting schedule dates for FY 2024-25 were provided in the Board package. Staff is currently polling the BCTIFA Board Members to see whether Monday or Tuesday is the best day to hold meetings. The dates will need to be approved at the Annual meeting in May.

**Farm Leases** – staff is researching the market rate for the leases and will provide an update to the Board.

**Board Member Renewals** – Mr. Corder thanked the Board Members who officially renewed their memberships as the City Commission will approve this evening.

**Treasurer Position** – the Board will appoint a new Treasurer at the Annual Meeting.

**Reimbursement for the roundabout** – the total project was \$1.7 million. The State has reimbursed the BCTIFA \$500,000, and \$1.2 million has been submitted to the State of Michigan in the last 30 days for reimbursement. The City of Battle Creek and Battle Creek Unlimited received an award for the roundabout project. An update will be in the next BCU Newsletter.

**New FCIP Signage** – three new signs will be installed this week from Valley City Sign. The signs are located at Clark Road N., Harts Lake Road, and Shiga Drive.

### **PUBLIC COMMENTS**

No comments were made.

### **ADJOURN MEETING**

MOTION: Mr. Woodard moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve to adjourn the meeting. Mr. Christensen supported the motion, and it was unanimously approved.

There being no further business, the meeting was adjourned at 4:38 p.m.