

Summary of Meeting Joint Committee for Infrastructure

Green Charter Township & City of Big Rapids

January 17, 2007 - 9:00 AM (Green Charter Township Hall)

The meeting was called to order at 9:00 am by Jack Wellnitz, Committee Chair, at Green Charter Township Hall.

Committee members present: Jack Wellnitz, Jim Peek, Edward Burch, and Dan Rothstein.

The Meeting Summary from January 3, 2007 was accepted by the committee.

A summary of water main construction project cost prepared by Williams & Works (estimated to be \$2,953,333) was shared with the committee. A discussion of the water main project brought out the following questions to be addressed:

- Does the estimated cost include a looped water system?
- Where on the existing water system will the connection take place?
- What are the changes made since the estimated cost of \$1,500,000 was presented on Sep 6, 2006?

A general discussion of the detailed topography mapping data owned by the City of Big Rapids covering the development area (bounded by Hwy 131 and 220th Ave, and 18 Mile Road and 19 Mile Rd) was held. The discussion centered on how to handle the developers request for this data and the appropriate mechanism to recover the value of the data. Further consideration of this request will be made by Jack Wellnitz.

The committee requested and the developer presented an overview of possible funding mechanisms. The developer felt that funding for the project will likely come from 4 or 5 sources. Grant funding would likely be the last portion of the funding to be considered and should only be expected to cover a small portion that helps get the project past the last obstacles. In the developers opinion the revenue and potential savings generated from the project would need to be large enough to service the debt related to adding the water and sewer infrastructure.

The developer identified that detailed market analysis of the area and region had not been performed and that this key task would be performed as the project moves forward.

A general discussion of the agreements already in place between the City of Big Rapids and Green Charter Township for sewer and water services including sewer plant capacity was held. The likely mechanisms and general arrangements for agreements related to water service were also discussed.

The committee requested and Steve Sobers presented an overview of possible funding mechanisms. As follow up to the previous meeting more detail was provided regarding the applicability of USDA grants and criteria for them. Generally, a number of thresholds must be met and then grants of up to 20% of the project cost and loans of up to 80% of the project cost are available. Fees to access or tap the new system would likely be one of the funding sources to help pay for the system. Another source of funds could come from a shared revenue arrangement in which some of the City of Big Rapids taxes are collected and utilized to pay for the infrastructure. An example was presented using the construction of a big box store with 100 employees showing that the added taxes from this could be used to fund a considerable portion of the water and sewer infrastructure.

A general discussion of the relative merits of building the infrastructure on the south or north sides of 19 Mile Road was held. The other property owners in the area that would benefit from the availability of sewer should be contacted to determine if they have any imminent plans that should be taken into consideration as planning moves forward.

The meetings for February are established as follows:

- February 7, 2007 @ 9:00 am @ Big Rapids City Hall
- February 21, 2007 @ 9:00 am @ Green Charter Township Hall

Comments were solicited from members of the public in attendance.

The meeting was adjourned at 10:35 am.