



**Economic Development Authority Board (EDA)
Regular Meeting – Township Hall
Tuesday March 19, 2019
5:15 p.m.**

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF REGULAR MEETING MINUTES FEBRUARY 19, 2019
5. PUBLIC COMMENT
6. REPORTS
 - A. ACCOUNTS PAYABLE APPROVAL – FEBRUARY
EAST DDA DISTRICT #248 – **CHECK REGISTER**
WEST DDA DISTRICT #250 - **NONE**
WEST DDA GO DEBT SERVICE #396 - **NONE**
 - B. FEBRUARY FINANCIAL REPORTS: INCOME/EXPENSE STATEMENT; BALANCE SHEET
EAST DDA DISTRICT #248
WEST DDA DISTRICT #250
WEST DDA GO DEBT SERVICE #396
 - C. BOARD MEMBER EXPIRATION MATRIX
 - D. WATER AND SEWER PROJECTS PROGRESS REPORT
7. NEW BUSINESS
 - A. SERVICE AGREEMENT: PLANTE & MORAN, PLLC – PA 57 COMPLIANCE FRAMEWORK
 - B. CONSIDER TO APPROVE: MIDDLE MICHIGAN DEVELOPMENT CORPORATION
REQUEST FOR FUNDING SUPPORT
8. PENDING BUSINESS
9. ADJOURNMENT UNTIL NEXT REGULAR EDA MEETING: APRIL 16, 2019

**Charter Township of Union
Economic Development Authority Board (EDA)
Regular Board Meeting
Tuesday February 19, 2019**

MINUTES

CALL TO ORDER

Chairman Kequom called to order EDA Board Meeting at 5:15 p.m.

ROLL CALL

Present: Bacon, Smith, Hunter, Johnson, Zalud, Kequom, Gunning, Chowdhary, Coyne, Barz

Excused: Figg

Absent:

Others Present: Kim Smith – Public Services Director, Amy Peak-Building Dept. Clerk

APPROVAL OF AGENDA

MOTION by **Johnson** SUPPORTED by **Zalud** to APPROVE the agenda as presented. MOTION CARRIED 10-0.

APPROVAL OF MINUTES

MOTION by **Barz** SUPPORTED by **Coyne** to APPROVE minutes from the January 15, 2019 regular meeting as presented.

MOTION CARRIED 10-0.

PUBLIC COMMENT – None

ACCOUNTS PAYABLE / FINANCIAL STATEMENTS

EDA Board reviewed the accounts payable for the East DDA.

MOTION by **Zalud** SUPPORTED by **Johnson** to APPROVE the East DDA payables 1/16/19 – 2/19/19 in the amount of \$20,115.66 as presented. MOTIONED CARRIED 10-0.

EDA Board reviewed financial reports.

Financial reports were RECEIVED AND FILED by Chairman Kequom.

Kim Smith gave progress report on Water and Sewer Projects.

NEW BUSINESS

B. Action Item: Participation agreement with Charter Township of Union Board of Trustees for the rehabilitation and upgrade of pump station #14 located on May Street.

Discussion held.

MOTION by Johnson SUPPORT by Zalud to APPROVE the Participation agreement with Charter Township of Union Board of Trustees for the rehabilitation and upgrade of pump station #14 Located on May Street. **10 – YES, 0 – NO, 1 – Absent.**

Motion CARRIED.

A. Action Item: Approval of Service Agreement with David A. Breedlove d/b/a Pleasant Thyme Herb Farm (PTHF), to provide flowering plant arrangements and garden maintenance services to the Economic Development Authority (EDA)

Discussion held.

MOTION by Zalud SUPPORT by Smith to APPROVE the Service Agreement with David A. Breedlove d/b/a Pleasant Thyme Herb Farm, to provide flowering plant arrangements and garden maintenance series to Economic Development Authority.

10 -YES, 0 – NO, 1 – Absent. Motion CARRIED.

GENERAL DISCUSSION:

- EDA Board member term expirations. Reminder to get Appointment to Boards Applications in.
- Receipt of Thank you card from Amy Powell with Art Reach, for the EDA's continued support to Art Reach Festival of Banners.

Reminder of the next scheduled EDA meeting on March 19, 2019.

Meeting was adjourned by Chairman Kequom at 5:37 p.m.

APPROVED BY

Secretary Chowdhary

Check Date	Bank	Check	Vendor	Vendor Name	Description	Amount
Bank 248 EDDA CHECKING						
03/01/2019	248	45 (E)	00146	CONSUMERS ENERGY PAYMENT CENTER	1940 S ISABELLA	55.68
					2027 FLORENCE	42.23
					4923 E PICKARD	51.27
					4675 E PICKARD	42.79
					4592 E PICKARD #B	26.07
					4592 E PICKARD #A	49.47
					5771 E PICKARD #B	26.07
					5771 E PICKARD #A	80.99
					5770 E PICKARD #B	26.07
					5770 E PICKARD #A	92.62
					5325 E PICKARD	79.98
					2029 2ND	92.86
					5157 E PICKARD #B	26.07
					5157 E PICKARD #A	40.31
					4900 E PICKARD	49.36
						<u>781.84</u>
03/19/2019	248	4077	00188	DOUG'S SMALL ENGINE	PLOW SIDEWALKS - JAN 2019	2,800.00
					PLOW SIDEWALKS - FEB 2019	1,400.00
					PLOW SIDEWALKS - FEB 2019	700.00
						<u>4,900.00</u>
03/19/2019	248	4078	00450	M M I	PARK BENCH/GROUND MAINT - FEB 2019	88.50
03/19/2019	248	4079	00676	UNION TOWNSHIP SEWER FUND	SEWER PUMP STATION #1 PROJECT -50% AMOUN	7,148.00
03/19/2019	248	4080	00677	UNION TOWNSHIP WATER FUND	WATER MAIN LOOP PROJECT - 50% AMOUNT BIL	129,097.83

248 TOTALS:

Total of 5 Disbursements:

142,016.17

PERIOD ENDING 02/28/2019

GL NUMBER	DESCRIPTION	YTD BALANCE		2019		YTD BALANCE		% BGD USED
		NORMAL	(ABNORMAL)	ORIGINAL BUDGET	2019 AMENDED BUDGET	NORMAL	(ABNORMAL)	
Fund 248 - EDDA OPERATING								
Revenues								
Dept 000 - NONE								
248-000-402.000	CURRENT PROPERTY TAX	0.00		400,000.00	400,000.00		0.00	0.00
248-000-402.001	PROPERTY TAX REFUNDS-BOR MTT	0.00		(4,000.00)	(4,000.00)		0.00	0.00
248-000-402.100	PRIOR YEARS PROPERTY TAXES	0.00		(250.00)	(250.00)		0.00	0.00
248-000-420.000	DELQ PERSONAL PROPERTY CAPT	0.00		1,000.00	1,000.00		0.00	0.00
248-000-445.000	INTEREST ON TAXES	0.00		500.00	500.00		0.00	0.00
248-000-573.000	STATE AID REVENUE-LCSA	0.00		30,000.00	30,000.00		0.00	0.00
248-000-665.000	INTEREST EARNED	2,445.21		10,000.00	10,000.00		2,801.53	28.02
248-000-671.000	OTHER REVENUE	0.00		100.00	100.00		0.00	0.00
Total Dept 000 - NONE		2,445.21		437,350.00	437,350.00		2,801.53	0.64
TOTAL REVENUES		2,445.21		437,350.00	437,350.00		2,801.53	0.64
Expenditures								
Dept 000 - NONE								
248-000-801.000	PROFESSIONAL & CONTRACTUAL SERVICES	431.20		5,570.00	5,570.00		309.75	5.56
248-000-801.003	SIDEWALK SNOWPLOWING	800.00		5,500.00	5,500.00		7,100.00	129.09
248-000-801.004	RIGHT OF WAY LAWN CARE	0.00		13,000.00	13,000.00		0.00	0.00
248-000-801.005	IRRIGATION / LIGHTING REPAIRS	0.00		12,000.00	12,000.00		131.85	1.10
248-000-801.007	FLOWER / LANDSCAPE MAINTENANCE	0.00		18,000.00	18,000.00		0.00	0.00
248-000-801.015	STREET LIGHT BANNERS/CHRISTMAS	0.00		20,000.00	20,000.00		4,500.00	22.50
248-000-826.000	LEGAL FEES	0.00		500.00	500.00		0.00	0.00
248-000-880.000	COMMUNITY PROMOTION	5,000.00		5,000.00	5,000.00		0.00	0.00
248-000-900.000	PRINTING & PUBLISHING	0.00		250.00	250.00		0.00	0.00
248-000-917.000	WATER TO IRRIGATION SYSTEM	0.00		12,500.00	12,500.00		0.00	0.00
248-000-920.000	ELECTRIC/NATURAL GAS	2,363.27		12,000.00	12,000.00		2,834.40	23.62
248-000-935.000	PROPERTY/LIABILITY INSURANCE	1,206.98		1,400.00	1,400.00		0.00	0.00
248-000-940.000	LEASE/RENT	0.00		700.00	700.00		0.00	0.00
248-000-967.000	PROJECTS	0.00		110,000.00	110,000.00		15,510.00	14.10
Total Dept 000 - NONE		9,801.45		216,420.00	216,420.00		30,386.00	14.04
Dept 336 - FIRE DEPARTMENT								
248-336-830.000	PUBLIC SAFETY - FIRE PROTECTION	0.00		64,000.00	64,000.00		0.00	0.00
Total Dept 336 - FIRE DEPARTMENT		0.00		64,000.00	64,000.00		0.00	0.00
Dept 728 - ECONOMIC DEVELOPMENT								
248-728-967.300	SEWER SYSTEM PROJECTS	0.00		160,260.00	160,260.00		0.00	0.00
Total Dept 728 - ECONOMIC DEVELOPMENT		0.00		160,260.00	160,260.00		0.00	0.00
TOTAL EXPENDITURES		9,801.45		440,680.00	440,680.00		30,386.00	6.90
Fund 248 - EDDA OPERATING:								
TOTAL REVENUES		2,445.21		437,350.00	437,350.00		2,801.53	0.64
TOTAL EXPENDITURES		9,801.45		440,680.00	440,680.00		30,386.00	6.90
NET OF REVENUES & EXPENDITURES		(7,356.24)		(3,330.00)	(3,330.00)		(27,584.47)	828.36

PERIOD ENDING 02/28/2019

GL NUMBER	DESCRIPTION	YTD BALANCE 02/28/2018		2019		YTD BALANCE 02/28/2019		% BDT USED
		NORMAL	(ABNORMAL)	ORIGINAL BUDGET	2019 AMENDED BUDGET	NORMAL	(ABNORMAL)	

User: SHERRIE

DB: Union

PERIOD ENDING 02/28/2019

GL NUMBER	DESCRIPTION	YTD BALANCE		2019		YTD BALANCE		% BDGT USED
		NORMAL	(ABNORMAL)	ORIGINAL BUDGET	2019 AMENDED BUDGET	NORMAL	(ABNORMAL)	
Fund 250 - WDDA OPERATING								
Revenues								
Dept 000 - NONE								
250-000-402.000	CURRENT PROPERTY TAX	0.00		304,000.00	304,000.00		0.00	0.00
250-000-402.001	PROPERTY TAX REFUNDS-BOR MTT	0.00		(4,000.00)	(4,000.00)		0.00	0.00
250-000-420.000	DELQ PERSONAL PROPERTY CAPT	0.00		200.00	200.00		0.00	0.00
250-000-445.000	INTEREST ON TAXES	0.00		250.00	250.00		0.00	0.00
250-000-665.000	INTEREST EARNED	238.53		7,000.00	7,000.00		2,305.61	32.94
Total Dept 000 - NONE		238.53		307,450.00	307,450.00		2,305.61	0.75
TOTAL REVENUES		238.53		307,450.00	307,450.00		2,305.61	0.75
Expenditures								
Dept 000 - NONE								
250-000-801.000	PROFESSIONAL & CONTRACTUAL SERVICES	0.00		870.00	870.00		0.00	0.00
250-000-967.400	STREET/ROAD PROJECTS	0.00		500,000.00	500,000.00		0.00	0.00
Total Dept 000 - NONE		0.00		500,870.00	500,870.00		0.00	0.00
Dept 336 - FIRE DEPARTMENT								
250-336-830.000	PUBLIC SAFETY - FIRE PROTECTION	0.00		45,600.00	45,600.00		0.00	0.00
Total Dept 336 - FIRE DEPARTMENT		0.00		45,600.00	45,600.00		0.00	0.00
Dept 728 - ECONOMIC DEVELOPMENT								
250-728-967.500	SIDEWALK/PATHWAY PROJECTS	0.00		70,000.00	70,000.00		0.00	0.00
Total Dept 728 - ECONOMIC DEVELOPMENT		0.00		70,000.00	70,000.00		0.00	0.00
TOTAL EXPENDITURES		0.00		616,470.00	616,470.00		0.00	0.00
Fund 250 - WDDA OPERATING:								
TOTAL REVENUES		238.53		307,450.00	307,450.00		2,305.61	0.75
TOTAL EXPENDITURES		0.00		616,470.00	616,470.00		0.00	0.00
NET OF REVENUES & EXPENDITURES		238.53		(309,020.00)	(309,020.00)		2,305.61	0.75

User: SHERRIE

DB: Union

PERIOD ENDING 02/28/2019

GL NUMBER	DESCRIPTION	YTD BALANCE 02/28/2018		2019		YTD BALANCE 02/28/2019		% BDGT USED
		NORMAL	(ABNORMAL)	ORIGINAL BUDGET	2019 AMENDED BUDGET	NORMAL	(ABNORMAL)	
Fund 396 - WDDA G/O DEBT SERVICE FUND								
Revenues								
Dept 000 - NONE								
396-000-665.000	INTEREST EARNED		0.59	0.00	0.00		0.00	0.00
Total Dept 000 - NONE			0.59	0.00	0.00		0.00	0.00
TOTAL REVENUES			0.59	0.00	0.00		0.00	0.00
Fund 396 - WDDA G/O DEBT SERVICE FUND:								
TOTAL REVENUES			0.59	0.00	0.00		0.00	0.00
TOTAL EXPENDITURES			0.00	0.00	0.00		0.00	0.00
NET OF REVENUES & EXPENDITURES			0.59	0.00	0.00		0.00	0.00
TOTAL REVENUES - ALL FUNDS			2,684.33	744,800.00	744,800.00		5,107.14	0.69
TOTAL EXPENDITURES - ALL FUNDS			9,801.45	1,057,150.00	1,057,150.00		30,386.00	2.87
NET OF REVENUES & EXPENDITURES			(7,117.12)	(312,350.00)	(312,350.00)		(25,278.86)	8.09

Fund 248 EDDA OPERATING

GL Number	Description	Balance
*** Assets ***		
248-000-001.000	CASH	3,255.20
248-000-002.000	SAVINGS	723,799.75
248-000-003.001	CERTIFICATE OF DEPOSIT	511,323.84
248-000-123.000	PREPAID EXPENSES	1,255.17
Total Assets		1,239,633.96
*** Liabilities ***		
248-000-202.000	ACCOUNTS PAYABLE	142,016.17
Total Liabilities		142,016.17
*** Fund Balance ***		
248-000-370.379	RESTRICTED FUND BALANCE	1,102,516.80
Total Fund Balance		1,102,516.80
Beginning Fund Balance - 2018		1,102,516.80
Net of Revenues VS Expenditures - 2018		22,685.46
*2018 End FB/2019 Beg FB		1,125,202.26
Net of Revenues VS Expenditures - Current Year		(27,584.47)
Ending Fund Balance		1,097,617.79
Total Liabilities And Fund Balance		1,239,633.96

* Year Not Closed

Fund 250 WDDA OPERATING

GL Number	Description	Balance
*** Assets ***		
250-000-001.000	CASH	3,082.08
250-000-002.000	SAVINGS	400,514.18
250-000-002.001	SHARES	53.70
250-000-003.001	CERTIFICATE OF DEPOSIT	609,531.72
Total Assets		1,013,181.68
*** Liabilities ***		
Total Liabilities		0.00
*** Fund Balance ***		
250-000-370.379	RESTRICTED FUND BALANCE	744,368.34
Total Fund Balance		744,368.34
Beginning Fund Balance - 2018		744,368.34
Net of Revenues VS Expenditures - 2018		266,507.73
*2018 End FB/2019 Beg FB		1,010,876.07
Net of Revenues VS Expenditures - Current Year		2,305.61
Ending Fund Balance		1,013,181.68
Total Liabilities And Fund Balance		1,013,181.68

* Year Not Closed

Fund 396 WDDA G/O DEBT SERVICE FUND

GL Number	Description	Balance
*** Assets ***		
	Total Assets	<u>0.00</u>
*** Liabilities ***		
	Total Liabilities	<u>0.00</u>
*** Fund Balance ***		
396-000-370.379	RESTRICTED FUND BALANCE	3,130.08
	Total Fund Balance	<u>3,130.08</u>
	Beginning Fund Balance - 2018	3,130.08
	Net of Revenues VS Expenditures - 2018	<u>(3,130.08)</u>
	*2018 End FB/2019 Beg FB	0.00
	Net of Revenues VS Expenditures - Current Year	0.00
	Ending Fund Balance	0.00
	Total Liabilities And Fund Balance	0.00

* Year Not Closed

Board Expiration Dates

Planning Commission Board Members (9 Members) 3 year term			
#	F Name	L Name	Expiration Date
1-BOT Representative	Lisa	Cody	11/20/2020
2-Chair	Phil	Squatrito	2/15/2020
3- Vice Chair	Bryan	Mielke	2/15/2021
4-Secretary	Alex	Fuller	2/15/2020
5 - Vice Secretary	Mike	Darin	2/15/2019
6	Stan	Shingles	2/15/2021
7	Ryan	Buckley	2/15/2019
8	Denise	Webster	2/15/2020
9	Doug	LaBelle II	2/15/2019
Zoning Board of Appeals Members (5 Members, 2 Alternates) 3 year term			
#	F Name	L Name	Expiration Date
1-Chair	Tim	Warner	12/31/2019
2-PC Rep / Vice Chair	Bryan	Mielke	2/18/2021
3-Secretary	Jake	Hunter	12/31/2019
4	Andy	Theisen	12/31/2019
5 - Vice Secretary	Paul	Gross	12/31/2018
Alt. #1	John	Zerbe	12/31/2019
Alt. #2	Taylor	Sheahan-Stahl	2/15/2021
Board of Review (3 Members) 2 year term			
#	F Name	L Name	Expiration Date
1	Doug	LaBelle II	12/31/2020
2	James	Thering	12/31/2020
3	Bryan	Neyer	12/31/2020
Alt #1	Mary Beth	Orr	1/25/2019
Citizens Task Force on Sustainability (4 Members) 2 year term			
#	F Name	L Name	Expiration Date
1	Laura	Coffee	12/31/2018
2	Mike	Lyon	12/31/2018
3	Jay	Kahn	12/31/2018
4	Phil	Mikus	11/20/2020
Construction Board of Appeals (3 Members) 2 year term			
#	F Name	L Name	Expiration Date
1	Colin	Herron	12/31/2019
2	Richard	Jakubiec	12/31/2019
3	Andy	Theisen	12/31/2019
Hannah's Bark Park Advisory Board (2 Members from Township) 2 year term			
1	Mark	Stuhldreher	12/31/2020
2	John	Dinse	12/31/2019
Chippewa River District Library Board 4 year term			
1	Ruth	Helwig	12/31/2019
2	Lynn	Laskowsky	12/31/2021



Board Expiration Dates

EDA Board Members (11 Members) 4 year term			
#	F Name	L Name	Expiration Date
1	Thomas	Kequom	4/14/2019
2	James	Zalud	4/14/2019
3	Richard	Barz	2/13/2021
4	Robert	Bacon	1/13/2023
5	Ben	Gunning	11/20/2020
6	Marty	Figg	6/22/2022
7	Sarvjit	Chowdhary	1/20/2022
8	Cheryl	Hunter	6/22/2019
9	Vance	Johnson	2/13/2021
10	Michael	Smith	2/13/2021
11	David	Coyne	3/26/2022
Mid Michigan Area Cable Consortium (2 Members)			
#	F Name	L Name	Expiration Date
1	Kim	Smith	12/31/2020
2	Vacant		
Cultural and Recreational Commission (1 seat from Township) 3 year term			
#	F Name	L Name	Expiration Date
1	Brian	Smith	12/31/2019
Sidewalks and Pathways Prioritization Committee (2 year term)			
#	F Name	L Name	Expiration Date
1 BOT Representative	Phil	Mikus	7/26/2019
2 PC Representative	Denise	Webster	8/15/2020
3 Township Resident	Sherrie	Teall	8/15/2019
4 Township Resident	Jeremy	MacDonald	10/17/2020
5 Member at large	Connie	Bills	8/15/2019



March 19, 2019

DDA Water & Sewer Projects Progress Report

Project Description: Pickard Road Water Main Loop – Pickard Rd. to Summerton Rd. north to Entrance SCIT Water Park/Greensuites

Project Construction: \$276,325

Anticipated Project Schedule:

Engineering: Completed May 2018 - DDA review/ June 2018 meeting

Permitting: 6 - 8 weeks

Bidding: Bids Due 7- 25- 2018 10:00 a.m.

Construction: Commencement within 30 days of Signed Contract or Notice to Proceed/90 calendar days substantial completion & 30 calendar day final completion = 120 days contract

Project Status:

Engineered Drawings and Specifications Commenced/Preliminary Design Completed/Final Design Completed/Construction Contract Awarded

Permits Applied For:

- MDEQ Act 399 Permit - Received
- Isabella County Road Commission - Received
- Isabella County Soil Erosion - Received
- Isabella County Drain Commission - Received
- MDOT Permit - Received

Activities Performed During this Reporting Period:

Activities Planned for Next Reporting Period:

final cleanup will be completed in spring 2019 - weather permitting

Issues/Resolution:

NA

Project Changes:

NA



March 19, 2019

DDA Water & Sewer Projects Progress Report

Project Description: Pump Station #1 Rehabilitation & Upgrade

Project OPC: \$428,525.00

Anticipated Project Schedule:

Engineering: 100 days/ September 2018

Permitting: 6 - 8 weeks

Bidding: Early 2019 - 30 day bid period

Construction: Spring 2019 - 120 day contract (depending on pump delivery - pump lead time - estimated to be 16 weeks)

Project Status:

Engineered Drawings and Specifications Completed/Final Design completed/awaiting MDEQ Act 399 Permit

Permits Applied For:

MDEQ Part 41 Construction Permit - Received February 22, 2019

Isabella County Road Commission - Received

Isabella County Soil Erosion - Received

Isabella County Drain Commission - Received

Activities Performed During this Reporting Period:

MDEQ Part 41 Permit received February 22, 2019

Bid Opening March 19, 2019 10:00 a.m.

Activities Planned for Next Reporting Period:

Project Award

Issues/Resolution:

Project Changes:

pump delivery time - 16 weeks



March 19, 2019

DDA Water & Sewer Projects Progress Report

Project Description: Pump Station #14 - May Street Rehabilitation & Upgrade

Project Cost: \$292,127.00

Anticipated Project Schedule:

Engineering: 45 days/ July 2018

Permitting: 6 - 8 weeks

Bidding: 20 - 30 day bid period

Construction: Spring 2019 - 90 day contract (dependent on pump delivery - pump lead time - estimated to be 16 weeks)

Site survey performed by GFA to gather information for design purposes

Engineering Design

Preliminary Engineering (100%)

Topo & Easement Survey (100%)

Final Engineering and Design (100%)

Permit submittals (100%)

MDEQ Part 41 Permit - Submitted 8-25-2018/Permit received December 3, 2018

Activities Planned for Next Reporting Period:

Construction bid approval - Township Board of Trustees (February 26, 2019 agenda)

Issues/Resolution:

Project Changes:

pump delivery time - 16 weeks

To: EDA

Date: March 4, 2019

From: Mark Stuhldreher, Manager

Date for Authority

Consideration: 3/19/19

Action Requested: Consider Approval of a Service Agreement with Plante & Moran, PLLC to develop a framework associated with implementation and ongoing compliance with the requirements of PA 57 of 2018 in an amount not to exceed \$6,000.00.

Current Action Emergency

Funds Budgeted: If Yes Account # 248-000-801.000/250-000-801.000 No

Finance Approval MDS

BACKGROUND INFORMATION

Late in 2018, Public Act 57 of 2018 was signed into law. The Act consolidated the laws authorizing seven different kinds of tax increment finance authorities into a single law. The intent of the Act is to standardize reporting requirements across all authorities for the state and the public to better evaluate the effectiveness of tax increment financed programs and to increase transparency. Annually, each authority must submit a comprehensive annual report to Treasury, the governing bodies of its related municipality, and each taxing unit levying taxes that are captured by the authority. This report must contain detailed information on the capture and use of tax increment revenues, information on debt, the progress/status of development plans, direct or indirect subsidies granted, and it provide sanctions for authorities that fail to meet the required reporting requirements. Any authority not in compliance with the reporting requirements will receive a notice from the Department of Treasury. If the authority is still in noncompliance status after 60 days from receipt of the notice, the authority will be prohibited from capturing tax increment revenues more than the amounts needed to pay bonded indebtedness and other obligations of the authority during this period of noncompliance. The Act is 111 pages long.

To ensure the Authority understands its' obligations and is prepared to meet the same, it is recommended that the consulting firm of Plante & Moran be retained to develop a framework and associated schedules, forms and other items so that moving forward, Township staff can execute the requirements of the Act.

SCOPE OF SERVICES

Plante & Moran will develop a framework for the staff to follow on an ongoing basis to ensure Authority compliance with the Act. Other activities may include the development of schedules and forms for use by the Authority when completing task required by the Act. The Service Agreement is attached.

JUSTIFICATION

Working with Plante Moran will ensure proper compliance with the Act which will reduce the probability the Authority may not be able to capture all allowable tax increments. In addition, increased transparency with the public will result from the reporting requirements.

PROJECT IMPROVEMENTS

Board of Trustee’s goals addressed by this project (from Policy 1.0: Global End)

- 1. Community well-being and common good
- 2. Commerce

COSTS

The fee for this service is based on a range of hourly rates dependent on the level of personnel assigned to various aspects of the engagement. Based on an estimate of 40 hours at an average rate of \$150/hour, a not to exceed amount of \$6,000 is reasonable. It is further recommended that the cost be split evenly between the East and West DDA funds. The annual midyear budget amendment will include this expense.

PROJECT TIME TABLE

Work will begin on the development of the framework as soon as can be reasonably scheduled between the parties. Based on the Authorities fiscal year of January – December, many of the requirements of the Act are effective as of January 1, 2020.

RESOLUTION

Approval of a Service Agreement with Plante & Moran, PLLC, to provide consulting services to ensure full compliance with Public Act 57 of 2018.

Resolved by _____ Seconded by _____

- Yes:
- No:
- Absent:

EDA CHAIR

February 11, 2019

Mark Stuhldreher
Township Manager
Charter Township of Union
2010 S. Lincoln
Mt. Pleasant, MI 48858

Dear Mark:

We are complimented by your selection of our firm to assist you. We are sending this letter and the accompanying Professional Services Agreement, which is hereby incorporated as part of this engagement letter, to confirm our understanding of the nature, limitations, and terms of the services we will provide to Charter Township of Union Economic Development Authority (“the Authority”).

Scope of Services

We will provide financial and accounting assistance at your discretion. Our work product will be in the form of consulting and analysis performed under the direction and supervision of the Township Manager. These tasks may include, but are not limited to:

- Assisting the Authority with developing the framework associated with implementing PA 57. This may include coaching Township and Authority personnel, reviewing documents created by Township and Authority personnel, conference calls, responding to emails, in-person meetings at Authority offices, and other similar tasks.
- Develop a narrative with the Authority to outline aspects of PA 57 and steps needed to comply with the statute.
- Other similar, agreed upon projects at the discretion of the Township Manager

It should be noted that at no time during this engagement will we be responsible for making investment decisions, signing checks, making bank transfers, initiating ACH or wire transfers, and handling cash in any way.

Fees and Payment Terms

The fee for our services, subject to the terms and conditions of the accompanying Professional Services Agreement, will be based on the actual time that staff expend and will be billed at the following hourly rates:

Accounting Consultant	\$125
Senior Accounting Consultant	\$150
Manager	\$180-250
Partner	\$320

The majority of our work will be performed by either an Accounting Consultant or Accounting Senior Consultant. We strive to be as efficient as possible and delegate work to the most cost effective member of our team.

As you probably realize, our primary cost is salaries that are paid currently. Accordingly, our invoices, which will be rendered as services are provided, are due when received. In the event an invoice is not paid timely, a late charge in the amount of 1.25 percent per month will be added, beginning 30 days after the date of the invoice.

The terms as described above and in the attached Professional Services Agreements will continue through June 30, 2019. Effective July 1, 2019 and annually thereafter, hourly rates will increase 3.0%.

If you are in agreement with our understanding of this engagement, as set forth in this engagement letter and the accompanying Professional Services Agreement, please sign the enclosed copy of this letter and return it to us with the accompanying Professional Services Agreement.

Thank you for the opportunity to serve you.

Very truly yours,

PLANTE & MORAN, PLLC

A handwritten signature in black ink, appearing to read "B. Camiller", written over a horizontal line.

Brian J. Camiller, CPA
Partner

Agreed and Accepted

We accept this engagement letter and the accompanying Professional Services Agreement, which set forth the entire agreement between Charter Township of Union Economic Development Authority and Plante & Moran, PLLC with respect to the services specified in the Scope of Services section of this engagement letter.

Charter Township of Union

Mark Stuhldreher

Date

Position

Professional Services Agreement – Temporary Finance Assistance Addendum to Plante & Moran, PLLC Engagement Letter

This Professional Services Agreement is part of the engagement letter for our temporary finance assistance services dated January 7, 2019 between Plante & Moran, PLLC (referred to herein as “PM”) and Charter Township of Union Economic Development Authority (referred to herein as “the Authority”).

1. **Management Responsibilities** – The temporary finance services PM will provide are advisory in nature. While providing these services, PM will have no authority or responsibility for any management decisions or management functions. Further, the Authority acknowledges that the Authority is solely responsible for all such management decisions and management functions. The Authority will also be responsible for evaluating the adequacy and results of the services PM will provide and accepting responsibility for the results of those services. The Authority has designated Mark Stuhldreher to oversee the services PM will provide.

The Authority is responsible for the design, implementation, and maintenance of internal controls, including monitoring ongoing activities in connection with our engagement.

PM accepts no responsibility as a responsible party for the payment of taxes of any nature, including, but not limited to income, withholding, sales, excess of other taxes assessed at the Federal, State or local levels that may be owed or otherwise arise.

The Authority represents and warrants that any and all information that it transmits to PM will be done so in full compliance with all applicable federal, state, and foreign privacy and data protection laws, as well as all other applicable regulations and directives, as may be amended from time to time (collectively, “Data Privacy Laws”). The Authority shall not disclose personal data of data subjects who are entitled to certain rights and protections afforded by applicable federal, state, and foreign privacy and data protection laws (“Personal Data”) to PM without prior notification to PM. The Authority shall make reasonable efforts to limit the disclosure of Personal Data to PM to the minimum necessary to accomplish the intended purpose of the disclosure to PM.

2. **Review and Supervision** – The Authority understands and acknowledges that all PM staff assigned to this project are working solely at the Authority’s direction and agree that all work performed will be subject to the same supervision, review and approval practices that the Authority undertakes with its own staff. It is understood that, in accordance with the terms of this agreement, the work of PM staff assigned to this project will not be reviewed by any other person at PM. The Authority is solely responsible for supervision, review and approval of the work performed, including review and approval of any journal entries prepared by PM staff prior to posting.
3. **Nature and Limitations of Services** – PM’s project activities will be based on information and records provided by the Authority. PM will rely on such underlying information and records and PM’s project activities will not include audit or verification of the information and records provided to PM in connection with PM’s project activities.

The project activities PM will perform will not constitute an examination or audit of any the Authority financial statements or any other items, including the Authority’s internal controls. If the Authority requires financial statements or other financial information for third-party use, or if the Authority requires tax preparation or consulting services, a separate engagement letter will be required. Accordingly, the Authority agrees not to associate or make reference to PM in connection with any financial statements or other financial information of the Authority. In addition, PM’s engagement is not designed and cannot be relied upon to disclose errors, fraud or illegal acts that may exist. However, PM will inform the Authority of any such matters that come to PM’s attention.

4. **Project Deliverables** – At the conclusion of PM’s project activities and periodically as the project progresses, PM will review the results of the project work with the Authority and provide the Authority with any observations related to PM’s services that PM believes warrant the Authority’s attention. PM also will provide the Authority with copies of analyses, tax filings, or other materials that PM may develop in the course of this engagement upon the Authority’s request. PM will not issue a written report as a result of this engagement and the Authority agrees that the nature and extent of the work product that PM will provide, as outlined in this agreement, are sufficient for the Authority’s purposes.
5. **Confidentiality, Ownership, and Retention of Workpapers** – During the course of this engagement, PM and PM staff may have access to proprietary information of the Authority, including, but not limited to, information regarding general ledger balances, financial transactions, trade secrets, business methods, plans, or projects. PM acknowledges that such information, regardless of its form, is confidential and proprietary to the Authority. PM will comply with all applicable ethical standards, laws, and regulations as to the retention, protection, use and distribution of such confidential client information. Except to the extent set forth herein, PM will not disclose such information to any third party without the prior written consent of the Authority.

In the interest of facilitating PM’s services to the Authority, PM may communicate or exchange data by internet, e-mail, facsimile transmission, or other electronic methods. While PM will use its best efforts to keep such

Professional Services Agreement – Temporary Finance Assistance

communications and transmissions secure in accordance with PM's obligations under applicable laws and professional standards, the Authority recognizes and accepts that PM has no control over the unauthorized interception of these communications or transmissions once they have been sent, and consents to PM's use of these electronic devices during this engagement.

Because the work performed under this agreement is subject solely to the Authority's review and supervision, we do not expect that we will need to retain detailed workpapers supporting our work. Workpapers and documentation created will become part of the Authority's accounting records. If, however, we conclude to retain copies of such workpapers or documentation, such workpapers retained in the course of this engagement are and shall remain the property of PM. PM will maintain the confidentiality of all such workpapers as long as they remain in PM's possession.

Both the Authority and PM acknowledge, however, that PM may be required to make its workpapers available to regulatory authorities or by court order or subpoena in a legal, administrative, arbitration, or similar proceeding in which PM is not a party. Disclosure of confidential information in accordance with requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this agreement. In the event that a request for any confidential information or workpapers covered by this agreement is made by regulatory authorities or pursuant to a court order or subpoena, PM agrees to inform the Authority in a timely manner of such request and to cooperate with the Authority should the Authority attempt, at the Authority's cost, to limit such access. This provision will survive the termination of this agreement. PM's efforts in complying with such requests will be deemed billable to the Authority as a separate engagement. PM shall be entitled to compensation for its time and reasonable reimbursement of its expenses (including legal fees) in complying with the request.

PM reserves the right to destroy, and it is understood that PM will destroy, workpapers created in the course of this engagement in accordance with PM's record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of workpapers. PM has no obligation to maintain workpapers other than for its own purposes or to meet those regulatory requirements.

6. **Consent to Disclosures to Service Providers** – In some circumstances, PM may use third-party service providers to assist with its services. In those circumstances, PM will require any such third-party service provider to: (i) maintain the confidentiality of any information furnished; and (ii) not use any information for any purpose unrelated to assisting with PM's services for the Authority. In order to enable these service providers to assist PM in this capacity, the Authority, by its duly authorized signature on the accompanying engagement letter, consents to PM's disclosure of all or any portion of the Authority's information to such service providers to the extent such information is relevant to the services such third-party service providers may provide and agrees that PM's disclosure of such information for such purposes shall not constitute a breach of the provisions of this agreement. the Authority's consent shall be continuing until the services provided for this engagement agreement are completed.
7. **Fee Quotes** – In any circumstance where PM has provided estimated fees, fixed fees, or not-to-exceed fees ("Fee Quotes"), these Fee Quotes are based on responsibilities under the scope of services. PM's services frequently depends upon the availability and cooperation of those the Authority personnel relevant to PM's project activities and providing needed information to PM in a timely and orderly manner. In the event that undisclosed or unforeseeable facts regarding these matters causes the actual work required for this engagement to vary from PM's estimates, the estimated fees will be adjusted for the additional time PM incurs as a result.

In any circumstance where PM's work is rescheduled due to the Authority's failure to provide information or assistance necessary for the engagement, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadline related to the completion of the work. Because rescheduling work imposes additional costs on PM, in any circumstance where PM has provided estimated fees, those estimated fees may be adjusted for additional time PM incurs as a result of rescheduling its work. PM will endeavor to advise the Authority in the event any circumstances occur which would require PM's work to be rescheduled. However it is acknowledged that the exact impact on the Fee Quote may not be determinable until the conclusion of the engagement. Such fee adjustments will be determined in accordance with the Fee Adjustments provision of this agreement.

8. **Payment Terms** – PM invoices for professional services are due upon receipt unless otherwise specified in this engagement letter. In the event any of PM's invoices are not paid in accordance with the terms of this agreement, PM may elect, at PM's sole discretion, to suspend work until PM receives payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of PM's consulting work. The Authority agrees that in the event that work is suspended, for non-payment or other reasons, PM shall not be liable for any damages that occur as a result of PM ceasing to render services.

Professional Services Agreement – Temporary Finance Assistance

9. **Fee Adjustments** – Any fee adjustments for reasons described elsewhere in this agreement will be determined based on the actual time expended by PM staff at PM's current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and included as an adjustment to PM's invoices related to this engagement. The Authority acknowledges and agrees that payment for all such fee adjustments will be made in accordance with the payment terms provided in this agreement.
10. **Exclusion of Certain Damages** – Except to the extent finally determined to have resulted from PM's gross negligence or willful misconduct, the Authority agrees to limit the liability of PM or any of PM's officers, directors, partners, members, managers, employees, affiliated, parent or subsidiary entities, and approved third party service providers (collectively, "PM Persons") for any and all claims, losses, costs, and damages of any nature whatsoever so that the total aggregate liability of PM and/or the PM Persons to the Authority shall not exceed the total fees paid by the Authority to PM for the services provided in connection with this engagement agreement. The Authority and PM agree that these limitations on PM's maximum liability are reasonable in view of, among other things, the scope of the services PM is to provide, the Authority's responsibility for the management functions associated with PM's consulting services, and the fees PM is to receive under this engagement. In no event shall PM be liable to the Authority, whether a claim be in tort, contract, or otherwise, for any consequential, indirect, lost profit, punitive, exemplary, or other special damages. PM and the Authority agree that these limitations apply to any and all liabilities or causes of action against PM, however alleged or arising, unless to the extent otherwise prohibited by law. This provision shall survive the termination of this engagement.

In the event this engagement agreement expressly identifies multiple phases of services, the total aggregate liability of PM to the Authority shall be limited to no more than the total amount of fees paid by the Authority for the particular phase of services alleged to have given rise to any such liability.

11. **Receipt of Legal Process** – In the event PM is required to respond to a subpoena, court order, or other legal process (in a matter involving the Authority but not PM) for the production of documents and/or testimony relative to information PM obtained and/or prepared during the course of this engagement, the Authority agrees to compensate PM for the affected PM staff's time at such staff's current hourly rates, and to reimburse PM for all of PM's out-of-pocket costs incurred associated with PM's response unless otherwise reimbursed by a third party.
12. **Termination of Engagement** – This agreement may be terminated by either party upon written notice. Upon notification of termination, PM's services will cease and PM's engagement will be deemed to have been completed. The Authority will be obligated to compensate PM for all time expended and to reimburse PM for all out-of-pocket expenditures through the date of termination of this engagement.
13. **Time Limits** – Except for actions to enforce payment of PM's invoices and without limiting any claims for indemnification hereunder, any claim or cause of action arising under or otherwise relating to this engagement must be filed within two years from the completion of the engagement without regard to any statutory provision to the contrary.
14. **Entire Agreement** – This engagement agreement is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties regarding the subject matter hereof. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this agreement, signed by all of the parties.
15. **Severability** – If any provision of this engagement agreement (in whole or part) is held to be invalid or otherwise unenforceable, the other provisions shall remain in full force and effect.
16. **Defense, Indemnification, and Hold Harmless** – As a condition of PM's willingness to perform the services provided for in the engagement letter, the Authority agrees to defend, indemnify and hold PM and the PM Persons harmless against any claims by third parties for losses, claims, damages, or liabilities, to which PM or the PM Persons may become subject in connection with or related to the services performed in the engagement, unless a court having jurisdiction shall have determined in a final judgment that such loss, claim, damage, or liability resulted primarily from the willful misconduct or gross negligence of PM, or one of the PM Persons. This defense, indemnity and hold harmless obligation includes the obligation to reimburse PM and/or the PM Persons for any legal or other expenses incurred by PM or the PM Persons, as incurred, in connection with investigating or defending any such losses, claims, damages, or liabilities
17. **Conflicts of Interest** – PM's engagement acceptance procedures include a check as to whether any conflicts of interest exists that would prevent acceptance of this engagement. No such conflicts have been identified. The Authority understands and acknowledges that PM may be engaged to provide professional services, now or in the future, unrelated to this engagement to parties whose interests may not be consistent with interests of the Authority.
18. **Agreement Not to Influence** – Authority and PM each agree that each respective organization and its employees will not endeavor to influence the other's employees to seek any employment or other contractual arrangement

Professional Services Agreement – Temporary Finance Assistance

with it, during this engagement or for a period of one year after termination of the engagement. The Authority agrees that PM employees are not “contract for hire.” PM may release the Authority from these restrictions if the Authority agrees to reimburse PM for its recruiting, training, and administrative investment in the applicable employee. In such event, the reimbursement amount shall be equal to two hundred hours of billings at current hourly rate for the PM employee.

19. **Force Majeure** – Neither party shall be deemed to be in breach of this engagement agreement as a result of any delays or non-performance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, acts of God, war or other violence, or epidemic (each individually a “Force Majeure Event”). A Force Majeure Event shall not excuse any payment obligation relating to fees or costs incurred prior to any such Force Majeure Event.
20. **Signatures** – Any electronic signature transmitted through DocuSign or manual signature on this engagement letter transmitted by facsimile or by electronic mail in portable document format may be considered an original signature.
21. **Governing Law** – This agreement shall be governed by and construed in accordance with the laws of the State of Michigan, and jurisdiction over any action to enforce this agreement, or any dispute arising from or relating to this agreement shall reside exclusively within the State of Michigan.

End of Professional Services Agreement –Temporary Finance Assistance Services

To: Economic Development Authority

Date: March 5, 2019

From: Mark Stuhldreher, Township Manager

Date for Authority

Consideration: 3/19/19

Action Requested: Approval of an annual payment to the Middle Michigan Development Corporation (MMDC) in the amount of \$5,000 in support of MMDC's economic development activities.

Current Action _____ Emergency _____

Funds Budgeted: If Yes _____ Account # _____ No _____ N _____

Finance Approval _____ *MDS* _____

BACKGROUND INFORMATION

MMDC is central Michigan's full-service economic development resource. Since 1981, MMDC's staff of economic development professionals have been helping businesses to locate, expand and compete in Clare and Isabella Counties. MMDC works for and with established and new businesses, local municipalities, the State of Michigan and various federal agencies to stimulate economic growth in the area. Since 2005, the Charter Township of Union has been a supporter of MMDC with an annual financial contribution of \$10,000. The Township Manager is a MMDC board member.

As noted in the attached letter, MMDC is requesting that the annual contribution increase from \$10,000 to \$15,000 to keep up with increasing demands and cost increases. Staff recommends the additional \$5,000 be provided by the EDA as the mission of the two organizations are similar in nature and the EDA can directly benefit from the success of the MMDC.

SCOPE OF SERVICES

MMDC's major focus is to grow the economy with services designed to retain, expand and attract businesses in Clare and Isabella Counties. These efforts in turn create and retain jobs and cause companies to make major investments in the area.

JUSTIFICATION

The EDA is charged with overseeing economic development activities for the Township. As outlined in the Union Township Economic Development Plan, EDA goals include among other things, attracting and retaining businesses, and increasing recreational activities/events and tourism in the area. By providing MMDC with financial support, the EDA will be directly effectuating a major goal of the Authority.

PROJECT IMPROVEMENTS

Board of Trustee's goals addressed by this project (from Policy 1.0: Global End)

1. Community well-being and common good

2. Prosperity through economic, cultural and social diversity
3. Commerce

COSTS

The annual contribution of \$5,000 will be split evenly between the East Downtown Development Fund and the West Downtown Development Fund. A budget amendment will be brought forward at mid-year in support of this contribution.

PROJECT TIME TABLE

MMDC's activities are ongoing. The payment will be processed as soon as practical assuming approval by the Authority.

RESOLUTION

Approval of an annual contribution to the MMDC of \$5,000 to be split evenly between the East Downtown Development Fund and West Downtown Development Fund.

Resolved by _____ Seconded by _____

Yes:
No:
Absent:

EDA CHAIR



MIDDLE MICHIGAN DEVELOPMENT CORPORATION

200 East Broadway
Mt. Pleasant, MI 48858
Phone: (989) 772-2858
Fax: (989) 773-2115
www.mmdc.org

January 23, 2019

Mark Stuhldreher, Township Manager
Charter Township of Union
2010 S. Lincoln Road
Mt. Pleasant, MI 48858

Dear Mark,

Wow, what a year 2018 was! This was my third full year at Middle Michigan Development Corporation, and we have made lots of progress. We made 157 company visits with 302 company assists while the companies we work with have reported continued economic growth with 299 new hires and over \$34.7 million in new investment!

Our organization's influence in the region and around the state has also greatly increased. I now serve on the Collaborative Development Council of the Michigan Economic Development Corporation and on the Executive Committee of the Michigan Economic Developers Association, both of which have greatly increased our profile with site selectors and companies. MMDC has taken a lead role in assisting companies in our area to pursue opportunities within the Defense and Homeland Security sectors. We have partnered with Greater Gratiot Development, Inc. for a study on upgrading US-127 to a full expressway which would positively impact economic development and public safety. We also have been held up as model organization for rural Michigan by demonstrating "best practices" in promoting available sites for new businesses.

The Charter Township of Union has been a great supporter of MMDC with your annual financial support of \$10,000 since 2005. As you know, we have added staff to keep up with the increasing demands from our clients and sponsors and just like everyone else our costs continue to rise. Consequently, this year we are respectfully requesting an increase of your annual support from \$10,000 to \$15,000. I would be most happy to attend upcoming meetings of your board or EDA to discuss this request.

Middle Michigan Development Corporation is looking forward to supporting the companies we work with to create jobs and make major investments that will strengthen the communities we all share. Your continued support of our organization is what makes all of this possible. If you have any questions, please feel free to contact me by calling (989) 772-2858 or by emailing at jmcbryde@mmdc.org. I am looking forward to another great year of economic growth in our area!

Sincerely,

James McBryde
President/CEO
Middle Michigan Development Corporation