

MINUTES OF MEETING OF TAX INCREMENT FINANCE AUTHORITY  
JANUARY 12, 2010

The meeting was called to order by Chairman Jungquist at 7:34 a.m. in the Council Chambers of the East Tawas City Hall.

Members Present: Diane Brewer, Steve Fountain, Kevin Jungquist, Mike Mooney, Tim O'Connor, Pat Ruster, and Council Representative Steve Klenow (arrived at 7:39 a.m. and left at 9:26 a.m.)

Members Excused: Bob Elliott.

Staff Present: City Manager Ron Leslie, Director Helen Pasakarnis and Clerk/Treasurer Blinda Baker.

Guests Present: Mike and Jim Russo.

O'Connor moved, Brewer seconded, CARRIED, to approve the minutes of the December 8, 2009 regular meeting as corrected and the December 23, 2009 special meeting as presented.

Klenow arrived.

Jim and Mike Russo from Russo Engineering were present to give an update on the plans for the State Street and Sawyer Street parking lots. Jim Russo explained that any number of alternates can be added to the basic bid package so the project can be done in phases or some items deferred until another time. He noted that involvement of the DPW in the project could lower some of the costs. He advised the Authority not to seek bids for both parking lots if there is no intention to complete both lots at this time. The drawings are 85% to 90% complete but there are some questions related to the site that need to be answered before the drawings can be finalized. The time frame for construction could be up to three months depending on what manpower is available. A question was raised as to where parking would be if both lots were closed at the same time. Jim Russo noted that the Authority could make it a condition in the contract that both lots would not be entirely closed at the same time.

Discussion was held concerning the amount of money available for the project. The funds left in the Construction Fund are enough to pay for one of the lots. The money that was pledged for a new library would almost be enough to pay for the second lot but that would leave very little money available in the TIFA Fund for any other work. Discussion was held concerning a special assessment to pay for the balance of the project. Clerk/Treasurer Baker will work with Assessor Sells to determine the potential assessment for each property to cover the approximate \$200,000 shortfall to complete both parking lots. Chairman Jungquist noted that he feels much more comfortable tackling one lot at a time and that the potential cost savings for doing both lots at the same time is about 5%. Discussion was held concerning which parking lot should be completed first if only one could be completed at this time. Jim Russo indicated that there are a few questions that need to be answered before drawings for the State Street parking lot can be completed but it really wouldn't matter from an engineering basis which lot was done first. He suggested that potential bidders be asked to bid both parking lots and are told up front that there is enough money to do one of the lots but there may not be enough to do both lots or one lot may be done in the Spring and the other in the

Fall. Jim Russo indicated that many alternatives can be specified in the instructions to bidders. Steve Fountain asked if the Authority would consider adding the utility conduit as was done in the Main Street parking lot. This was discussed and will be added to the bid documents as an alternative. The issue of water drainage from roofs was discussed. The plans call for the installation of service leads to businesses that have water problems. It would be the responsibility of the individual business owners to install the necessary down spouts or gutters to connect to the service lead. Service leads would be located eight inches from the buildings. Russo Engineering will prepare a bid form with alternates before the next meeting for final review and decision by TIFA at that meeting. It was the consensus of the group to include sidewalks behind the businesses in the Sawyer Street lot and as far as Newman Court Mall in the State Street lot. Ruster moved, Brewer seconded, CARRIED, to bid both parking lots with the understanding that the Sawyer Street parking lot would be constructed first and that the State Street parking lot may or may not be completed depending on the availability of funding.

Ruster moved, Brewer seconded, CARRIED, to enter closed session to discuss strategy in regard to the lawsuit with M.C. Smith Associates because discussion in open session could be financially detrimental to the Authority. Yes: Brewer, Fountain, Jungquist, Mooney, O'Connor and Ruster.

Entered closed session at 9:20 a.m.

Returned to open session at 9:25 a.m.

Klenow left the meeting.

A special meeting will be held at 7:30 a.m. on Tuesday, January 26<sup>th</sup> to discuss priorities after the Streetscape project with each member to send his/her list of the top five priorities to Clerk/Treasurer Baker who will compile the master list and send it to members before the meeting on the 26<sup>th</sup>.

Fountain moved, O'Connor seconded, CARRIED, to accept the TIFA Revenue and Expense report, the TIFA financial report and the Construction Fund financial report as presented.

Ruster moved, O'Connor seconded, CARRIED, to postpone the balance of the agenda, including the TIFA Director report, to the special meeting on January 26<sup>th</sup>.

The next regular meeting will be held on Tuesday, February 9, 2010 at 7:30 a.m.

Meeting adjourned at 9:40 a.m.

Blinda A. Baker  
Clerk/Treasurer