

Minutes of the regular scheduled meeting of the Mid-Michigan Aquatic Recreational Authority held Wednesday, June 21, 2023 at 5:15 p.m. at Isabella County Commission on Aging, Mt. Pleasant, Isabella County, MI

Call to Order

Meeting was called to order by John Zang at 5:25 p.m.

Members present: Allison Chiodini, Mark Stansberry, Judy Wagley, John Zang.

Members present virtually: Lisa Diaz Sytsema

Members absent: Stan Shingles, Mike Huenemann

Others present: Mark Stuhldreher, Township Manager, Charter Township of Union; Jerel Konwinski, Facility Committee Ambassador

Approval of Agenda

Allison Chiodini made a motion supported by Judy Wagley, to approve the agenda.

Ayes: Chiodini, Stansberry, Wagley, Zang

Nays: None

Absent: Shingles, Huenemann

Non-Voting Members present Virtually: Diaz Sytsema

Motion carried

Public input on agenda items

Moved after New Business

Approval of Meeting Minutes from the May 17, 2023 MMARA Board Meeting

Mark Stansberry made a motion supported by Judy Wagley, to approve the Meeting Minutes from the May 17, 2023 MMARA Board Meeting.

Ayes: Chiodini, Stansberry, Wagley, Zang

Nays: None

Absent: Shingles, Huenemann

Non-Voting Members present Virtually: Diaz Sytsema

Motion carried

New Business

AT-LARGE BOARD MEMBER RECALL

Judy Wagley made a motion supported by Mark Stansberry, to dismiss appointed at-large board member Mike Huenemann due to circumstances not allowing him to actively participate in the meetings and activities of the MMARA board.

Ayes: Chiodini, Stansberry, Wagley, Zang

Nays: None

Absent: Shingles, Huenemann

Non-Voting Members present Virtually: Diaz Sytsema

Motion carried

FINANCIAL UPDATES

Lisa Diaz Sytsema provided financial update, including: updated monthly budget balance sheet and profit and loss reports dated May 31, 2023. There are no current accounts payables due needing approval.

Attendance/Members Present Update

Stan Shingles arrives.

Public Input on Agenda Items

Mark Stuhldreher in attendance to lead discussion on open questions on meeting agenda in regards to timing of bond funding, ballot language, formation of a building authority and bond loan options. Mark made the following comments and notes in leading our discussion:

- Assuming that bond vote is spring 2024 as planned, and MMARA asking for up to 1 mil is approved, millage would be billed on Summer 2024 tax bills – as it would be billed at the same billing cycle as the county operating millage which bills on Summer tax bills. This means that each taxing municipality (Union Township, City of Mt. Pleasant, and all other taxing municipalities within the Mt. Pleasant Public Schools boundary) will begin collecting and receiving funds on our behalf as early as July 2024. Local treasurers from each taxing municipality will disburse payments monthly, typically by the end of each month according to the statute to taxing authority (MMARA in this case). So, you should receive the first year of millage dollars by fall 2024.
- In the development of ballot language, it will be important to make sure ballot language aligns with intent for how we need to use millage funds, weighing the pros and cons of keeping language broad vs. too prescriptive.
- In continuing with the assumption that the bond vote passes, MMARA will want to be positioned as Authority to borrow money as soon as possible, in order to start the design and construction process. For this reason, it is the recommendation to develop a Joint Building Authority as a financial conduit, in order to be able to issue the debt/loan amount that will be needed to build the facility. A Building Authority (whether singular or joint) by the statute has the authority to issue larger debt sums. Mark has initiated the conversation with City of Mt. Pleasant manager Aaron Desentz on the formation of this Joint Building Authority for the purposes of the MMARA's initiative. The process for getting a Joint Building Authority formed needs to start now.
- With a Building Authority/Joint Building Authority involved in the process, it would look like this: Building Authority receives funds, pays for building, owns facility, and leases building to MMARA for the life of the bond loan. Once the loan is paid off in full the deed/title would be written/transferred over to MMARA, and at that point the Building Authority is not needed and could dissolve. MMARA Legal & Finance committee will need to work on drafting a lease agreement between Building Authority and MMARA.
- Pause discussion to jump into an Old Business update due to board member Mark Stansberry needing to leave by 6:00.

Old Business

COMMITTEE UPDATE – Fundraising Committee

Mark Stansberry provided an update that the committee is underway with their 60 For 60 fundraising campaign. A few donation checks have been handed over to Lisa Diaz Sytsema for deposit,

Judy has another check ready for deposit, and Mark has a few at his office, Mountain Town Rehab, and committee ambassador Mary Alsager has also collected a few donations. Anyone interested in making donation can drop of a check to Mountain Town Rehab, as Mark is collecting donations there.

John Zang noted that we did receive notification from Saginaw Chippewa Indian Tribe 2% Grant Application that our application was not approved for funding.

Attendance/Members Present Update

Mark Stansberry leaves.

Public Input on Agenda Items - Continued

Mark Stuhldreher continued discussion on the formation of a building authority and bond loan options:

- Mark has reached out to Township attorney to discuss proper steps required to form Joint Building Authority, and as soon as he receives a response and direction from attorney, will move forward in meeting with Aaron Desentz at the City.
- Mark noted a few high level details on borrowing this money: MMARA will need to draft and issue a Notice of Intent that essentially states “It is our intent to borrow \$XXXX for the purpose of...” In addition to the Notice of Intent (or in combination with Notice of Intent) this would also be the opportunity to draft and adopt a reimbursement resolution so that Bond proceeds can reimburse MMARA for allowable expenses already incurred on any project expenses such as design, engineering, etc. that must be spent prior to passing of bond vote and activation date of loan. Having a reimbursement resolution sooner than later will open the door for us for reimbursement of expenses from an earlier start date. Notice of Intent and Reimbursement Resolution can be combined into one document/resolution.
- Mark Stuhldreher noted that he has had conversations with Financial Advisor Paul Sauder, Managing Director at PFM Financial Advisors LLC in Ann Arbor, MI, on the formation of a single purpose authority, who was the financial advisor that worked with Holland Recreation Authority on Holland Aquatic Center, and is also the Financial Advisor for Mt. Pleasant Public Schools. Paul may be a good resource for us to engage with in discussions on our financial and funding options. Mark made recommendation for Stan Shingles to reach out to him to make formal request from MMARA to request and invite Paul Stauder to come to an upcoming meeting to talk to us.
- Mark also made note of the Unlimited General Obligation Bond issue heading in the Recreation Authority Statute and advised the MMARA board to engage in conversations with a financial advisor on how this may play into potential funding options.
- Mark made the recommendation that it is time for MMARA to start meetings and discussions with a Bond Attorney and a Financial Advisor both experienced in bond funding/tax exempt financing and rec authorities. Mark noted one familiar and well known Bond Attorney in Michigan is Miller Canfield. Board discussion noted for MMARA Finance & Legal committee to follow up with Jennifer Verleger at Mt. Pleasant Public Schools on who is their Bond Attorney.

COMMITTEE UPDATE – Communication Committee

Lisa Diaz Sytsema provided an update on the progress of this committee. Committee ambassador Kathy Backus and her team are almost complete with the brochure design, and plan to have ready for printing by end of June. Also working on website, with plan/goal to have ready to launch by mid/late July. Committee met last week, and are working to refine the list of community leaders and starting to discuss and plan community leaders outreach events for September, and looking to get on agendas of service organizations for their fall meetings.

Attendance/Members Present Update

Lisa Diaz Sytsema leaves.

COMMITTEE UPDATE – Facility Committee

John Zang provided an update: He and committee ambassador Jerel Konwinski recently met with Mark Stuhldreher, Rodney Nanney, Union Township Community and Economic Development Director, and our Engineer from Tower Pinkster to review and discuss the pros and cons of the zoning requirement to construct the road. Ultimately, down the road once the site is fully developed, the Township would like to see the road built.

John and Jerel, along with our A/E team from Tower Pinkster, have identified the desired parcel location and boundary, occupying a total of 11 acres, which is comprised of the entire South parcel, and the Western portion of the North parcel with the East property line to be aligned with the East property line of the current South parcel. Of this 11-acre parcel, 1.5 acres would be designated as the Sweeny Street right of way. The intent would be to position the Aquatic Center building footprint and built site development on the Southernmost portion of the parcel, and use the Northern portion of the parcel for storm water retention/detention as required as well as holding for future expansion. Rodney Nanney at the Township was in agreement that if development was concentrated on the South portion of the parcel, that the Sweeny Street extension could be phased and just the Southern portion built at the time of the facility construction, which can also double as one of the entrance drives to the facility. It was also agreed that upon future expansion and development into the Northern parcel, that the Northern connection to Sweeny Street would need to be built at that time.

John and Jerel have a meeting scheduled with Jennifer Verleger on Monday June 26, 2023 to discuss the proposed identified 11-acre parcel that MMARA would like to move forward with a MOU on.

COMMITTEE UPDATE – Finance & Legal Committee

Stan Shingles led discussion on open action items for the committee:

- Letter needed from Finance & Legal Committee that defines our municipal and tax-exempt status and that any donations would be tax deductible. Discussion on this item noted who would be the best resource to consult on this question, and if we need to go back to the legal team from Grand Rapids that we worked with previously in getting our Tax ID and Bank accounts established. Mark Stuhldreher offered to reach out to Township attorney with the general question on Rec. Authority tax deductible donations and see if they might be able to advise us on this.
- John Zang to follow up with MPPS on amending School Board meeting minutes.
- Once MPPS approves identified 11-acre parcel, MMARA Finance & Legal committee will need to begin drafting MOU agreement language so it is ready to be presented to MPPS School Board in August for approval.

COMMITTEE UPDATE – Governance

No new updates from this committee.

The next regularly scheduled meeting will be on Wednesday July 19, 2023 at 5:15 pm, and will be conducted in person at Isabella County Commission on Aging, Mt Pleasant, Isabella County, MI.

Adjournment

Motion by Allison Chiodini and supported by Stan Shingles to adjourn the meeting.

Ayes: Chiodini, Shingles, Wagley, Zang

Nays: None

Absent: Stansberry, Huenemann

Motion carried

Meeting adjourned at 7:40 p.m.

Allison Chiodini, Secretary