

Local Development Finance Authority

Regular Meeting Agenda

Monday, May 13, 2013
4:00 p.m., Council Chambers
South Haven City Hall



City of South Haven

1. Call to Order

2. Roll Call

Chairman Art Bolt, Thomas Erdmann, Eugen Gawreliuk, Mike Henry, Robert Herrera, Lynn Kerber, Andy Klavins, Larry Lewis, Mike Rainey, Christine Valentine, Janice Varney.

3. Approval of Agenda

4. Approval of Minutes – April 8, 2013 Regular Meeting

5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

6. Financial Report

7. Invoices for Approval - LDFA 1

DuWel Parcel

April 10, 2013 Pat's Pronto Print, Environmental Document Reproduction, \$411.14

8. Bohn Property

**Temporary Lighting Bid Approval
Environmental Work
Fencing**

9. Economic Development Report

10. General Comments

11. Adjourn

RESPECTFULLY SUBMITTED,

SOUTH HAVEN CITY HALL IS BARRIER FREE AND THE CITY OF SOUTH HAVEN WILL PROVIDE THE NECESSARY REASONABLE AUXILIARY AIDS AND SERVICES FOR PERSONS WITH DISABILITIES, SUCH AS SIGNERS FOR THE HEARING IMPAIRED AND AUDIO TAPES OF PRINTED MATERIALS BEING CONSIDERED AT THE MEETING TO INDIVIDUALS WITH DISABILITIES AT THE MEETING UPON SEVEN (7) DAYS NOTICE TO THE SOUTH HAVEN CITY HALL.

Paul VandenBosch
Secretary, Local Development Finance Authority

SOUTH HAVEN CITY HALL IS BARRIER FREE AND THE CITY OF SOUTH HAVEN WILL PROVIDE THE NECESSARY REASONABLE AUXILIARY AIDS AND SERVICES FOR PERSONS WITH DISABILITIES, SUCH AS SIGNERS FOR THE HEARING IMPAIRED AND AUDIO TAPES OF PRINTED MATERIALS BEING CONSIDERED AT THE MEETING TO INDIVIDUALS WITH DISABILITIES AT THE MEETING UPON SEVEN (7) DAYS NOTICE TO THE SOUTH HAVEN CITY HALL.

Local Development Finance Authority

Regular Meeting Minutes

Monday, April 15, 2013
4:00 p.m., Council Chambers
South Haven City Hall



City of South Haven

1. Call to Order by Bolt at 4:14 p.m.

2. Roll Call

Present: Erdmann, Gawreliuk, Henry, Klavins, Valentine, Bolt

Absent: Herrera, Kerber, Lewis, Rainey, Varney

3. Approval of Agenda

Motion by Valentine, second by Henry to approve the agenda as presented. All in favor.
Motion carried.

4. Approval of Minutes – February 11, 2013 Regular Meeting

Motion by Henry, second by Klavins to approve the February 11, 2013 regular meeting minutes as written. All in favor. Motion carried.

5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

None at this time.

6. Financial Report

VandenBosch gave an overview of the financial report for LDFA 1, LDFA 2 and LDFA 3.

There was discussion regarding the taxes on the Bohn property.

Motion by Valentine, second by Klavins to approve the financial report. All in favor. Motion carried.

7. Invoices for Approval - LDFA 3

Bohn Property

Midwest Civil Engineering, Temporary Lighting Plan Design, \$2,400.00

VandenBosch noted we have a proposal to bid out temporary lighting; pre-bid meeting today, will come back to this board with the results of that bid. The temporary lighting would

not use the existing electrical system but a system that could be used for a warehouse situation whereas in the office area it is just enough to get people in and out. The proposal will include a new electrical service to the building. This should allow for a warehousing use; but official occupancy from the building inspector would require sprinkling and a water hook-up. There was discussion of whether any work could be done with the current tenant still there.

Motion by Erdmann, second by Valentine to approve the Midwest Civil Engineering's temporary light plan design for \$24,000.00. All in favor. Motion carried.

8. LDFA Budget

VandenBosch noted that the 220 Aylworth lawsuit created costs that were not budgeted and pointed out the proposed budget for 2013 – 2014 fiscal year. "The budget was put together with the intent of getting this board's approval for each of these budget items," per VandenBosch.

VandenBosch gave an overview of the personal property tax changes; protects any entity that has debt, so our debt is going to be covered by personal prop or a replacement for personal property. Henry said the vote is tentatively scheduled for modifying all taxes at the same time. VandenBosch noted that he does not know how the public is going to vote on this proposal because it is so complicated.

Motion by Henry to approve the 2013 – 2014 budget, second by Klavins.

All in favor. Motion carried.

9. Bohn Property

Environmental Work

VandenBosch explained the report from Envirollogic which will help a potential buyer understand what contamination is present. There was discussion regarding the potential costs of the contamination in this report and whether testing has already been done. VandenBosch noted that several spots were found that had contamination; VandenBosch said the Phase II assessment is required. This is to protect the city from liability. Bolt voiced his opinion that the city will end up holding the bag no matter what is done. The board discussed who would be responsible for cleanup costs. Gawreliuk noted it would be very difficult to sell a polluted site. Klavins reiterated that it is a necessary action to prevent liability; it will become a selling point. Erdmann inquired about brownfields. V said if this is developed, the brownfield will capture money. Erdmann asked if a new owner would be eligible for a new redevelopment grant to clean up whatever they find now. V said it is fairly easy to find an assessment grant; today it is more difficult to get money for cleanup. VandenBosch said we are legally required to do this to avoid liability.

Bolt inquired whether we are going to ask them for a not-to-exceed amount. VandenBosch said

Motion by Erdmann, second by Valentine, to approve the assessment by Envirollogic. All in favor. Motion carried.

Office Demolition Grant

The grant is no longer available, per VandenBosch.

11. Economic Development Report

Jack McCloughan, Economic Development Liaison, gave an overview of economic development activities.

12. General Comments

Erdmann: Encourage the members of this board to be at the Council meeting tonight to discuss the DDA being expanded to include residential property which he thinks should not be in the DDA.

13. Adjourn

Valentine, Henry.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary

City of South Haven
Local Development Finance Authority
For the period ended April 30, 2013

	LDFA #1	LDFA #2	LDFA #3
Revenues			
Property Tax Captures	173,394	31,232	40,986
Interest Income	9,133	967	7,733
Land Sales			-
Other Revenue	10,000	-	5,920
Other Transfers In	750,000	-	-
Total Revenue	942,527	32,199	54,638
Expenditures			
Economic Liaison	14,212	-	24,870
Administrative Costs	-	-	-
Professional Fees	8,950	29	-
Contractual Services	2,584	-	140
Capital Projects	1,344,537	-	8,519
General Fund Administration	10,000	20,000	10,000
Transfer to Building Authority Debt Service	-	10,000	-
MEDC Loan Payments			20,406
Transfer to St. Joe Project Debt Service	120,000	-	-
Other Transfers Out	-	-	250,000
Total Expenditures	1,500,283	30,029	313,936
Year-to-Date Fund Gain/(Loss)	<u>(557,756)</u>	<u>2,170</u>	<u>(259,297)</u>
Cash and Investments			
Cash	52,511	62,264	134,262
Certificates of Deposit	260,313	-	2,250
Other Financial Investments	420,962	121,277	425,839
Total	733,786	183,541	562,351

Land Assets - 345 Kalamazoo St	5.19 acres	\$	46,710	Mkt Value per assessor
Land Assets - 1391 Kalamazoo St	1.54 acres	\$	36,729	Mkt Value per assessor
220 Aylworth Ave	13.22 acres	\$	118,980	Mkt Value per assessor
1280 Kalamazoo St.	3.48 acres	\$	31,320	Mkt Value per assessor

LDFA Debt Obligations

St. Joe Projects Bonds - Final Maturity - May 2027	\$120,000/Year		
DPW Relocation Bonds - Final Maturity - Nov. 2021		\$13,990 Average/Year	
MEDC Loan -0% Interest - Final Payment - April 2016			\$27,208/Year



PAT'S PRONTO PRINT

YOUR FULL SERVICE PRINTER SINCE 1976

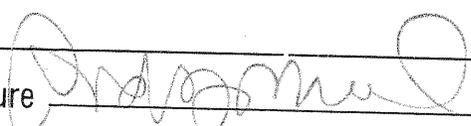
415 Broadway • South Haven, MI 49090

Phone/Fax: 269-637-6736

Email: prontoprint@i2k.com

ME	DATE	4/10/13
City of South Haven		
DRESS		
539 Phoenix Street		
South Haven, Michigan 49090	PO#	637-0775

JANTITY	DESCRIPTION	AMOUNT
3,174	8.50 x 11 Copies	\$349.14
2	8.50 x 11 Color Copies	70
2	8.50 x 14 Copies	30
170	11 x 17 Copies	25.50
	Binding	35.50
	TOTAL	\$411.14
	Paul Vanden Bosch	

Customer Signature 

PLEASE PAY FROM THIS INVOICE



MIDWEST CIVIL ENGINEERS, INC.
ENGINEERING ♦ SURVEYING ♦ ARCHITECTURE

13560 76th Street
South Haven, MI 49090
<http://www.mce-us.com>

Phone: 269-637-9205
Fax: 269-637-9206
Email: info@mce-us.com

City of South Haven
539 Phoenix Street
South Haven, Michigan 49090

Re: Bohn Aluminum Plant Temporary Lighting Plan Bid Recommendation

To whom it may concern:

Bids for the Bohn Aluminum Plant Temporary Lighting Plan were received Monday, April 29, 2013. Two bids were received; Ketelhut Electric and Linear Electric Inc. A bid tabulation is attached.

Linear Electric Inc. is a well known company in northern Berrien County with prominent clients including Whirlpool Corporation.

It is my recommendation that the City of South Haven accept the bid of Linear Electric Inc. in the amount of \$35,855.00 to complete the project.

Sincerely,

Craig Niephaus, AR
Midwest Civil Engineers, PC

MCE **MIDWEST CIVIL ENGINEERS, INC.**
ENGINEERING • SURVEYING • ARCHITECTURE

13560 76th Street
South Haven, MI 49090
<http://www.midwestcivilengineers.com>

Phone: 269-637-9205
Fax: 269-637-9206
Email:

NOTE:

The electrical integrity of the former "Bohn" plant in this proposal has not been tested or certified. Under this project, none of the existing wiring will be used.

TEMPORARY LIGHTING "BOHN" BUILDING

AYLWORTH AND KALAMAZOO STREETS, SOUTH HAVEN

Monday, April 29, 2013

#	CONTRACTOR	BID AMOUNT					BID BOND
1	LINEAR ELECTRIC, INC.	\$35,855					
2	KETELHUT ELECTRIC	\$44,935					
3							
4							
5							
6							
7							
8							
9							

BID FORM

Proposal of Linear Electric, Inc. (hereinafter called "BIDDER"), organized and existing under the laws of the State of Michigan doing business as Linear Electric, Inc. To the City of South Haven, MI (hereinafter called "OWNER").

ARTICLE(S) AND/OR SERVICES:

Having carefully examined the bid specifications contained herein, and having carefully read the "INSTRUCTIONS TO BIDDERS AND INFORMATION FOR BIDDERS"; the BIDDER proposes to provide the specified material(s), article(s), good(s), and/or service(s) at the below listed price(s) stated subject to all instructions, conditions, specifications and all attachments hereto.

Proposal of Linear Electric, Inc. (hereinafter called "BIDDER"), organized and existing under the laws of the State of Michigan doing business as Linear Electric, Inc. To the City of South Haven, MI (hereinafter called "OWNER").

In compliance with your Advertisement of Bids, BIDDER hereby proposes to perform all WORK for the construction of Temporary Electrical Service for the Former Bohn Plant in strict accordance with the CONTRACT DOCUMENTS, within the time set forth therein, and at the prices stated below.

By submission of this BID, each BIDDER certifies, and in the case of a joint BID each party thereto certifies as to its own organization, that this BID has been arrived at independently, without consultation, communication, or agreement as to any matter relating to this BID with any other BIDDER or with any competitor.

TOTAL OF BID.....\$ 35,855.00

LUMP SUM PRICE (if applicable).....\$ 35,855.00

K. P. Hunt

signature

President

title

6110994

license number (if applicable)

790 Nickerson Ave.

Benton Harbor, MI 49022

address

SEAL –(if BID is by a corporation)



ADDENDA

The Undersigned has included in the proposal the modifications to the work described in the following addenda received prior to the submission of this proposal.

Addendum Number: 1 Date: 4/19/2013

Addendum Number: 2 Date: 4/23/2013

Addendum Number: Date:

Addendum Number: Date:

A handwritten signature in black ink, appearing to read "K. J. [unclear]", is written above a horizontal line.

signature

President

title