

Brownfield Redevelopment Authority (BRA)
Minutes October 13, 2020
Smartzone 2345 Meridian St.

1. Call to Order & Introductions

Chair McCoy called the meeting to order with the time being 1:05pm.

2. Roll Call

Members Present:	Tom Veum	Dr. Rachael McCoy	Gary Sharp
	Dan Dasho	Tim Ellis	Rob Landis

Members Absent:	Kelley Bunker	Jim Devaprasad
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Staff Present:	Jeff Holt	Tracey Laitinen
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Others Present:	City Commission Liaison Shane Miller
	Mac McClellan, Otwell Mawby
	Kali Brosco, Accountant/Deputy Treasurer
	Kristin Collins, City Finance Director
	Angie McArthur, EUP Intermediate School District
	Morrie Walworth, LSSU Vice President for Finance & Operations

It was moved by Sharp, supported by Ellis to excuse those board members absent. The motion carried unanimously.

3. Changes or Additions to the Agenda-None

4. Matters presented by the Public - None

5. Approval of Minutes

Moved by Sharp supported by Dasho to approve the September 8, 2020 minutes. The motion carried unanimously.

6. Approval of Financial Report

Brosco reviewed the financial report ending July 31, 2020 for City Fund 243 noting the new software conversion and that they are still trying to catch up. Collins inquired about LSSU's reserve for the obligation to debt service once it comes due. Walworth will send the updated reporting noting that they have set aside over \$300,000 to date. McClellan added that the entire balance of the loan may not be utilized and a firm number would be known closer to June 2021 along with the 10% holdback.

Moved by Ellis, supported by Landis to approve the financial report as presented. The motion carried unanimously.

7. LSSU CFRE Project Update

McClellan updated the group on the project:

The following is a project update for the Michigan Department of Environment, Great Lakes and Energy (EGLE) Brownfield Grant and Loan to the Sault Ste. Marie Brownfield Redevelopment Authority for

environmental response activities and site demolition for the Center for Freshwater Research and Education of Lake Superior State University.

- Burton Excavating has mostly completed removal of the significant underground structures, remnants from the area south of the building, the parking area and the utility chases from the building to Portage Avenue and most of the materials have been removed from Salmon Run Way. There may be some additional removal north of the building.
- Alpine Engineering was on-site to shoot grades and the amount of cut and/or fill necessary to begin construction of Salmon Run Way. Remaining material anticipated to be taken off-site and landfilled is being estimated. This will represent most of future expenses under the Brownfield Grant/Loan.
- The vapor mitigation system is anticipated to be installed in mid-November.
- Much of the work under the EGLE Grant and Loan, including site demolition, soil disposal, and special foundations, is wrapping up. Work will be likely be continuing through at least the end of the year. Some clean-up work may be necessary in the Spring.
- The attached form with an estimate of expenses through September 30 by October 1 was submitted as required by EGLE. The report includes the following expenses:

Site Demolition Contingency Grant Balance	\$10,092.23
Otwell Mawby Admin	\$ 2,612.50
SSMBRA Admin	<u>\$ 377.50</u>
TOTAL	\$13,662.53

The Q4 FY 2020 (July – September 2020) Quarterly Report with these Grant expenses and additional Loan expenses will be submitted by October 15.

- An amendment to Work Plan #4 for Special Foundations is being prepared to increase the approved expenses. The increased costs were due to remaining historic foundations and structures being left in place and cantilevering a portion of the CFRE foundation. The structural slab is anticipated to be installed in December.
- An amendment to allocate the balance of the Grant funds from Investigation, Third Party Review, and Admin (\$51,442.18) to Due Care for soil disposal and Special Foundation is being proposed to ensure that all Grant funds are utilized. Any subsequent expenses from the three above line items would be allocated to the Loan.
- The EGLE Grant Contract includes a 10% retainage (in this case, \$100,000) at the end of the Grant until the Grant and Loan are closed out. Grant expenditures through June 30, 2020, Q3 FY 2020 were \$934,895.28, so \$34,895.28 will be held from payments. LSSU has agreed to allocate the retainage to their expenses, so the following is the payment allocation for Q3 FY 2020 when payment is received from the State.

	Expenses	Retainage	Payment
LSSU	\$293,118.42	<u>(\$34,895.28)</u>	\$258,223.14
SSMBRA	\$710.00		\$710.00
Otwell Mawby	<u>\$3,712.50</u>		<u>\$3,712.50</u>
	\$297,540.92		\$262,645.64

Sharp inquired as to when 741 E. Portage would be removed. Collins reported soon. Walworth reported that an additional \$250,000 was received to create interactive space around the facility for tourists to enjoy. McClellan added that projects like this stimulate additional investment from what he has seen.

8. Review any submitted applications – none at this time

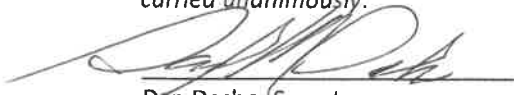
9. Other Matters – none at this time

10. Next meeting is January 12, 2021

11. Adjournment

It was moved by Dasho, supported by Veum to adjourn the meeting at 1:21 p.m. The motion was

carried unanimously.

A handwritten signature in black ink, appearing to read 'Dan DASHO', written over a horizontal line.

Dan DASHO, Secretary