



Rochester Hills

Minutes - Draft

Brownfield Redevelopment Authority

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Chairperson Robert Justin
Vice-Chairperson James Nachtman
Members: Werner Richard Braun III,
Mark Sera, Del Stanley, Thomas Turnbull
Council Member Ryan Deel

Tuesday, March 26, 2019

7:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

Chairperson Thomas Turnbull called the Special Meeting to order at 7:03 p.m. in the Auditorium.

ROLL CALL

Present 5 - Mark Sera, Thomas Turnbull, Robert Justin, Werner Richard Braun III and James Nachtman

Excused 2 - Del Stanley and Ryan Deel

Quorum present.

Also present: Sara Roediger, Director of Planning and Economic Dev.
Joe Snyder, CFO
Thomas Wackerman, President, ASTI Environmental
Maureen Gentry, Secretary

APPROVAL OF MINUTES

[2019-0135](#) Special Meeting of April 10, 2018

A motion was made by Justin, seconded by Sera, that this matter be Approved as Presented. The motion PASSED by an unanimous vote.

COMMUNICATIONS

There were no Communications presented to the BRA board.

NEW BUSINESS

2019-0136 Request for review and approval of the reimbursement request associated with the costs for eligible activities completed for the Legacy of Rochester Hills (City File No. 17-043) brownfield cleanup, located at the northeast corner of Adams

and Hamlin Roads, zoned by Consent Judgment, Parcel Nos. 15-29-101-022 and -023, LRH Applicant.

(Reference: Memos, prepared by Sara Roediger, dated March 21, 2019 and Thomas Wackerman, dated March 20, 2019, including the list of eligible expenses, and the Reimbursement Agreement and Brownfield Plan had been placed on file and by reference became part of the record thereof).

Present for the applicant were Arthur Siegel, Attorney with Jaffe, Raitt, Heuer & Weiss, 27777 Franklin Rd., Suite 2500, Southfield, MI 48034 and Brian Westhoff and Kirstie Hardy from AKT Peerless, 22725 Orchard Lake Rd., Farmington, MI 48336, the environmental consultants.

Ms. Roediger stated that the last time the BRA met, it was to recommend approval of the Brownfield Plan for the Legacy project at the corner of Hamlin and Adams. Since that time, staff had been very busy working with the applicant in actualizing the environmental improvements on a majority of the property. The applicants were present with their first reimbursement request; actually, it was the City's first request for reimbursement. Mr. Tom Wackerman, who had led the review, was present for questions about the request, and Mr. Joe Snyder was present for any other financial considerations.

Mr. Wackerman referred to page two of his memo, noting that the applicant would talk about what had been done at the site, which was substantial. The subject request was the first of several reimbursement requests. On page two, he had compared the request with the applicants' budget, which was a percentage of the budget. The applicants were far ahead in terms of percent completed, and he would expect another reimbursement request associated with soil removal fairly soon. The reimbursement request was for almost \$749k, which was 5.6% of the approved amount under the Brownfield Plan. He had broken down each of the categories relative to the Brownfield Plan. He stated that all of the expenses were eligible under Act 381 and the Brownfield Plan. The documentation provided was sufficient to show that the consultant had been paid, and to show that the requirements of the Brownfield Plan and Reimbursement Agreement were complied. Subsequent to the memo, although it had not been included in the packet, the applicant had provided copies of cancelled checks. They were incorporated in a subsequent review, and everything matched. He asked if there were any questions.

Mr. Siegel stated that they were present seeking approval of a significant

amount of money, although it was not a significant percentage of what was originally approved. They expected to have a second submission later in the year. They were not asking the City to write a check now for the amount, but they were asking for approval of the expenses as documented for reimbursement when the tax increment was received at the local and State levels. When the money came back to the City, they would ask for disbursements of what had been approved. He advised that the City would make a number of approvals before the money was in hand, as spelled out in the Brownfield Plan and Reimbursement Agreement.

Regarding the work that had been done thus far, he indicated that he would turn it over to Mr. Westhoff. When the process was started, there was a large parcel of land that was divided into Parcel A and Parcel B. The site plan for Parcel A had been approved at City Council the previous evening. Parcel B would be left with an encapsulated area, and it would be a green space. The cleanup work on Parcel A was fully completed, and a request for a No Further Action (NFA) determination had been submitted to the MDEQ. It should take several weeks before they heard back regarding that. Work had been done on Parcel B, but the majority (the encapsulation) was set to begin shortly.

Mr. Westhoff noted that he was the project manager for the redevelopment. He advised that they had excavated approximately 97,000 tons of impacted material until just before Christmas. There had been a lot of trucks coming and going. There were a number of areas excavated, and they had to over-excavate a few areas and dig a little deeper until they got the analytical results that confirmed that the material was off the site. They submitted those results in the No Further Action report in early February. Over 330 samples were collected and analyzed. He claimed that they analyzed for everything under the sun, including volatile organics, semi-volatiles, pcbs and all Michigan metals. All the results, from soil groundwater sampling to soil gas sampling were included in the report. They had met the unrestricted residential use as planned.

Mr. Justin asked if there had been any other surprises besides having to dig deeper. Mr. Westhoff stated that the challenges were more from a logistics standpoint and from moving such large volumes. They were able to excavate in two different areas at two different times and coordinate. That was one of the biggest challenges they faced. Some of the challenges in terms of the material they saw was that the buried fill was very consistent, with one of the indicators being glass present in it.

They could see and hear the glass as they excavated and loaded it onto the trucks for offsite disposal. That was their “tell” that they knew they were in it. Once they got to a very beige, tan sand, it was really cleaned. When they got the confirmatory analytical, they knew they had gotten it and carved it all out of there. Mr. Siegel added that there were some areas where the contaminated materials were of a larger footprint than they had originally anticipated based on the sampling. Mr. Westhoff said that C east was deeper, and B was wider and deeper. Parcel B was up near the residents on the north side. They went in excess of 20 feet down into the earth in both those areas and got the material out.

Mr. Siegel mentioned that he had seen staff’s memos, and it appeared that they were recommending approval in full, so it did not seem as if there was much more to talk about unless there were specific questions. Mr. Wackerman pointed out that the NFA that was talked about was on the City’s website. Also, on page two of his memo, he had commented that certain tasks were completed. That did not mean that those were the last bills; it just meant that the task was completed, and there would be additional requests for reimbursement.

Ms. Hardy explained that the request was just for AKT’s bills for the environmental investigation work and for their oversight over the last six to eight months. She was working on another request that covered the actual digging out of the material and the hauling and disposal. She noted that there was a lot of paperwork, so it would take some time. That would be the next request that came before the BRA, and it would involve most of the costs in the Brownfield Plan. She believed that there would be two more requests, and she hoped that the next one would be ready in the next month or so.

Hearing no further discussion, Mr. Justin moved the following:

MOTION by Justin, seconded by Turnbull, in the matter of City File No. 17-043, the Brownfield Redevelopment Authority **approves the reimbursement request #1** dated February 11, 2019 from AKT peerless on behalf of LRH Development, LLC for \$748,987.31 for the cost of eligible activities for the Legacy of Rochester Hills project as the request is in compliance with the approved Brownfield Plan, the Reimbursement Agreement, 1996 PA 381 (Act 381) at the time of the Brownfield Plan approval, the City’s cost reimbursement procedures, and following generally accepted practices, based on Mr. Wackerman’s report and City staff’s recommendation.

Mr. Nachtman asked where the soil was sent, and Mr. Westhoff advised that it was sent to Citizen's Landfill in Grand Blanc.

A motion was made by Justin, seconded by Turnbull, that this matter be Approved. The motion PASSED by an unanimous vote.

Chairperson Turnbull stated for the record that the motion had passed.

ANY OTHER BUSINESS

2019-0142

Request for 2019 Election of Officers - Chairperson, Vice Chairperson, Secretary and Treasurer for a one-year term.

MOTION/NOMINATION by Sera, seconded by Braun, the Rochester Hills Brownfield Redevelopment Authority hereby **appoints** Robert Justin to serve as its Chairperson; James Nachtman as its Vice Chairperson; Maureen Gentry as its Secretary; and Joe Snyder as its Treasurer for a one-year term.

A motion was made by Sera, seconded by Braun III, that this matter be Approved. The motion PASSED by an unanimous vote.

2019-0143

Request for Approval of the 2019 Meeting Schedule

MOTION by Justin, seconded by Sera, the Brownfield Redevelopment Authority hereby **approves** the final meetings of the **2019 meeting schedule** at its March 26, 2019 Special Meeting, consisting of quarterly meetings to be held on July 18, 2019 and October 17, 2019, and acknowledges that Special Meetings may be scheduled throughout the year if necessary.

A motion was made by Justin, seconded by Sera, that this matter be Approved. The motion PASSED by an unanimous vote.

NEXT MEETING DATE

Chairperson Turnbull reminded the BRA members that the next Regular Meeting was scheduled for July 18, 2019 (subsequently cancelled).

ADJOURNMENT

Hearing no further business to come before the BRA board, and upon motion by Mr. Justin, Chairperson Turnbull adjourned the Special Meeting at 7:20 p.m.

Thomas Turnbull, Chairperson
Rochester Hills
Brownfield Redevelopment Authority

Maureen Gentry, Secretary