

~~5. ANNOUNCEMENTS/COMMUNICATIONS~~

~~Chairperson Walterhouse called for any announcements or communications. No announcements or communications were provided.~~

6. PUBLIC COMMENT

~~Chairperson Walterhouse called for any public comments regarding non-Agenda related items. No public comments were heard.~~

7. UNFINISHED BUSINESS

7A. Madison Park (City File #03-023)

1) Presentation Regarding Changes to 381 Work Plan/Remediation Plan

7B. Madison Park (City File #03-023)

2) CMI (Clean Michigan Initiative) Grant/Loan Request

Chairperson Walterhouse noted that the Authority had received some additional information just prior to the meeting, and asked if the members would like to take a short recess to review that material. Authority Members agreed they were ready to begin the meeting. Chairperson Walterhouse then asked the applicant to begin their presentation.

Robert Carson, stated he represented REI Brownstown, LLC, 40900 Woodward Avenue, Suite 130, Bloomfield Hills, Michigan, and provided an introduction of what they intended to cover during the meeting and the issues before the Authority.

Mr. Carson stated they wanted to provide an update on the current status of the proposed 381 Work Plan and its scope. He noted the establishment of the 381 Work Plan was a dynamic, work in progress, because once the draft plan is proposed to the Brownfield Redevelopment Authority (BRA), it is then submitted to the Michigan Department of Environmental Quality (DEQ). The DEQ then makes comments, suggestions or changes, and eventually, the changes are made, accepted, and the BRA is approached again to bring everyone to the same page and to receive an understanding of what has gone on. He noted that in most cases a 381 Work Plan is approved by DEQ, and this was the process the applicant was currently going through.

Mr. Carson noted there had been a number of interesting aspects and potential developments, and stated that from REI Brownstown's perspective, this was an exciting and evolving plan. He stated it was exciting because they were pleased to share the vision they thought was an enhancement, as well as the ability to accomplish all of the goals that had been contemplated between the parties, as set forth originally in the agreement between the City and REI, evidenced by the Consent Judgment between the parties, each carrying out their obligations, and to remediate the site through the remediation activity and redevelopment, which they hoped would be a credit to the community and perceived as such. He stated they thought having a development on the site would be a positive way to address the issues with respect to the contamination. He indicated that what they presented at this meeting was also exciting in that it would demonstrate

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a real understanding of how they had accommodated the public comments and the city comments.

Mr. Carson stated that the second portion of the meeting was a request and explanation to approve an application for filing in connection with loans and grants for Fiscal Year 2006 within the time frame established by the State. He believed the Authority had received documents regarding the time frame involved, and explained the procedures for the grants and loans were as contemplated in the Consent Judgment, and without any liability, financial obligation or exposure to the City whatsoever. He explained they hoped to give the Authority an understanding that would allow the first stages of the paperwork to go forward.

Mr. Carson stated they wanted to be sure they were within the context and mechanism as contemplated in the Consent Judgment, which included the basic concept and understanding that there will be a brownfield; that the brownfield will be able to go forward with the redevelopment of the property to recapture some of the expenses involved in the remediation, as set forth in the Consent Judgment, and that REI will go forward to do those activities with the City facilitating the financing, so long as the City does not have financial exposure. He explained that representatives from REI would make the presentation, and noted that two representatives from the Michigan DEQ were also in attendance, Phil Schrantz, Field Operations Manager, and Ben Mathews, Southeast Michigan District Office.

Mr. Carson stated that two engineers, Mr. Grant Trigger, who is also an attorney; and Mr. Jim Grant, who has substantial expertise and experience in this field, would make the presentation for REI.

Mr. Carson stated that Grant Trigger is an environmental engineer who practiced in that area for more than ten years, and who practiced in and lectured on the environmental law area for twenty years. He noted that Mr. Trigger had over fifteen years of brownfield redevelopment experience, and had received awards for excellence from the Michigan Association of Environmental Professionals; the President's Award from the Michigan Economic Developers Association; is the immediate past Chair of the Environmental Law Section of the Michigan Bar Association; was the longest-serving member of the Michigan Toxin Substance Control Commission from 1983 to 1989; was on the Governor's Natural Resource Management Environmental Code Commission; had been invited by the Michigan Department of Environmental Quality to participate in brownfield advisory committees; has lectured extensively; has taught in this area for years, and had pioneered a number of landfill redevelopment sites, including sites in Southfield, Westland, Allen Park over the last ten years, and has actually seen developments go forward, be developed, have the redevelopment include building on the various areas that are comparable to the plans presented at this meeting, and brings an experience base of actual accomplishments.

Mr. Trigger thanked the Board for giving them an opportunity to provide an update on what they had been doing on the brownfield plan site, particularly with respect to site investigation work and evaluating what would be the best solution for the site. He stated they had had to address a series of issues, and they were in the midst of going through the normal process. He explained they did not want to ask the Authority to concur in the 381 Work Plan, but

rather provide the Authority with an informational update, noting there had been a lot activity. He noted that at the end of the evening, they wanted to ask for support for a grant and loan application that was important for furthering the project in its totality, and indicated that City Council was interested in input from the Authority with respect to the application.

Mr. Trigger stated they would present a series of slides, noting the sequence of discussion would provide a review of what had been done on the site. He felt it was also important to put this in context, noting there had been prior discussions between City Staff and REI, although he was not with REI in 2004 when the Authority heard the earlier discussion on a proposed remedy for the site. He indicated REI had listened to the input they received at that time, and held long dialogs with the DEQ and listened to their concerns about the site. He stated that sorting out the issues and trying to address them required, in some cases, that they rethink how they would put the pieces together to solve the redevelopment of the site. He explained this was a natural, evolving process, and the Authority would see some things that were different than what was presented in the past, and they would provide the reasons for the differences and why REI thought the plan that would be presented at another meeting was an enhanced plan that would get the site properly cleaned up; address the conditions relative to that; reduce the potential impact to the Community, and allow progressive development to be implemented at the site and turn the site into something that everybody in the Community could be proud of.

Mr. Trigger stated they had done some supplemental field investigation work, noting Mr. Jim Grant would provide the details regarding the type of work that was done and why it was done.

Mr. Trigger stated they had also evaluated financing options, and had held a substantial amount of discussion with City Staff; legal counsel for the City, and the Oakland County Drain Commissioner's Office. He explained that Mr. John McCulloch from the Drain Commissioner's Office appeared before City Council on July 26, 2006, and reviewed how he would be willing to play a role in support of this project, and provide some financing support, that would help this project be successful, and which would address the City's concern that support of the project would not put the City at financial risk. He stated Mr. McCulloch was prepared to do that, and REI was prepared to do that, and had indicated to the City's legal counsel and to City Council that REI would provide the appropriate guarantees with respect to the financing aspects of the project such that the City would not be at financial risk.

Mr. Trigger stated that the entire process, including a review of the available financing tools; the issues raised with respect to conditions on the site and how they could be best resolved, evolved into a refinement of the overall redevelopment concept. He indicated that as a result, they were about to begin the next process of the review. He noted REI had indicated to City Staff and the City's Consultants, that they hoped to have a revised 318 Work Plan in about two weeks. The City's technical consultants would then review the revised Plan to determine if what REI said they could do made sense from a technical consultant's perspective. REI would then revisit that Work Plan with the BRA because it was required that the City, through the BRA, formally submit the Work Plan to the State of Michigan. He indicated the Plan was drafted in consultation with the State and with City Staff and City Consultants.

Mr. Trigger commented that the whole process culminated in the final approval of the Work Plan by the DEQ. He felt it was important that REI explain to the Authority what had been done and answer their questions; however, the Authority was not obligated or required by Statute to formally approve the Plan before it is submitted to the State. He explained the State did require by Statute receipt of a request from the local Community, through the BRA, to review and approve the Plan. He felt it was incumbent upon the Authority to understand what they were asking the State to do. He stated that was the reason for the meeting, noting their first discussion would be an informational process to begin the process of explaining where REI was with respect to the design.

Mr. Trigger stated that this was all tied into the public financing issues mentioned earlier, which was an intriguing and somewhat complicated process. He noted they felt it would offer certain elements that they believed would provide some assurances to the City, the BRA and City Staff that the project would be implemented, financed and managed properly. He stated that the Oakland County Drain Commissioner's offer to participate in the financing process officially engages them in a formal bid process. He explained that the work they conducted on the site would be publicly bid and contracts would be issued through the bidding process; therefore, before REI began the work, the amount would be known as a result of the bidding process. Secondly, one of the sources of funding being initiated through the Drain Commissioner's Office from the State of Michigan is called the SRF (State Revolving Fund) Funding Program.

Mr. Trigger explained the SRF Funding Program was a process whereby the State agrees to buy bonds sold by the Drain Commissioner's Office, at a very low interest rate. He stated that would assist in the financing of the project, and helps put REI a position to be a successful project to be able to implement it. He commented that the SRF process required a public bidding process and a review of the construction drawings and specifications. He stated the construction drawings and specifications would be reviewed by the Drain Commissioner's Office before they were submitted to the State, and there would an opportunity for the City Staff and City Consultants to review the drawings and specifications before they are submitted to the State and before they are issued for public bid.

Mr. Trigger stated there was a very fundamental, philosophical point that could not be omitted, which was that these types of projects were truly partnerships that had to be approached and taken in the spirit of partnership, which meant that if there was a question, REI would answer it. He noted that REI needed the City's support, but understood the City needed information and support from REI. He reiterated that in order to make this type of project work, it had to be a partnership. He stated that they could not commit to implementing the work in the field unless the financing was in place. He stated it was important that the Authority understood how its role fit in the process. He explained when they got to the end of the SRF bidding process, everyone would understand the amount of money that would be spent, there would assurances behind the contracts, including performance bonds, to make sure that once the work was initiated, everyone was confident it would be done properly.

Mr. Trigger stated that while it was important for the Community to understand whether there was a risk the project would not be completed, REI shared that concern, but from a different perspective. He explained when REI guarantees the financing for the project,

they are at financial risk if the project is not completed. He noted that although there were different reasons, everyone shared a common concern that once the plan was put in place, it will be done successfully. He indicated that it was important to note that the changes they have made were designed to create a high-confidence level that the plan that will be put before the Authority and the State of Michigan is one that will work. He stated it was important to understand that in some places, they had enhanced the approach to the site and improved the remedial components because REI wanted to be confident that a piece of property they owned and were inviting people to come onto and use, will be a safe place to be. He commented that was important because they owned the site, although that was not meant to imply that their ownership interest was superior to the Community's interest or any public interest, but was meant to suggest they shared that interest.

Mr. Trigger stated that as part of the process, when the applicant appears before the Authority with respect to the Work Plan, ultimately there will also be a Development and Reimbursement Agreement that would require City approval. He indicated that was another process that will be culminated in the next few months, because that was the agreement through which each was making their financial commitments with respect to implementation of the project. He stated the project would not go forward until the Development and Reimbursement Agreement was executed. He noted that was important to the overall financing because they could not sell any bonds until the Development and Reimbursement Agreement is signed. He clarified the 381 Work Plan lead to the Development Agreement, which lead to the financing and the sale of the bonds. He observed that they had prepared a number of slides to try to explain how they went about their evaluation, and stated they would prefer that questions be held until the presentation is completed, as they anticipated that many of the questions would be answered as the presentation is completed. He asked, however, if the Authority felt any part of the presentation required clarification, that they interrupt the presentation at that point.

Mr. Trigger provided a brief history of the site, noting the site had a history of non-compliance. He stated that REI, following the Consent Judgment and other things, wanted to put the site into a usable form, noting it was important to understand REI's ownership status. REI acquired the property in November of 2004 and owned title to it. He explained they did that following the execution of the Consent Judgment, and under a Baseline Environmental Assessment (BEA) that was submitted to the State of Michigan and approved by the State of Michigan. He stated that meant REI held title to the property under State Law as a non-labile party, which means they do have a legal obligation to remediate the site. He noted that as a title holder to the property, they did have a due care obligation, and they had implemented their due care obligation by controlling access to the site, and with respect to their current liabilities, they had fulfilled them.

Mr. Trigger explained that going forward they were discussing the efforts of a non-labile party, in cooperation with the local Community, to remediate the site to a higher level than they were legally obligation to remediate it, in order to facilitate a development. Through the development, they would find the funds to do the remediation. He stated that was the heart of the brownfield program, and why, in general, the State of Michigan shows great enthusiasm for these types of projects, because the State understood a site that might otherwise be a problem for the public or for the State, was being adequately and properly addressed.

Mr. Trigger stated that in recognizing some of the complexities of the site, they decided it was very important to draw in to the team additional consulting expertise. He explained they went to a company called SCS Engineers ("SCS"), who came to them highly recommended and who they have been very pleased to have as part of their team. He indicated SCS was a firm that had expertise in landfill gas matters since they were initially formed in 1970, and have dealt with over 2,000 landfill gas management projects across the country, many of which received engineering awards.

Mr. Karas stated that the paperwork the Authority had received indicated 200. Mr. Trigger stated the 200 figure referred to landfill redevelopment projects. He indicated that the distinction was that there were many sites that SCS had evaluated that were not being redeveloped, but are landfill sites that have gas associated with them, and SCS was brought in to deal with the gas management issue. He noted the 200 sites were specifically landfill development sites, much like the subject site, and pointed out that examples were a site in Garfield Heights, Ohio, where they moved over two million cubic yards of waste in order to redevelop that landfill; the other was the Weatherwood Subdivision in Georgia, in which a residential development was being build on top of a municipal landfill. He pointed out that was the level of expertise and experience SCS brought to the table. In addition, in the past SCS had been an expert consultant to the State of Michigan. He stated SCS was involved in advising REI about gas management issues at the subject site.

Mr. Trigger stated REI had also brought Mr. Jim Grant on board, who was a former vice president of NTH and head of their Lansing, Michigan office, which meant they also had NTH on their team. He indicated he had personally worked with NTH for over ten years on a variety of complicated projects, and NTH had extensive landfill experience and have designed and built projects on top of landfills, including the Mulligan's Golf Dome off I-75, and the Fairlane Green redevelopment project in Allen Park, which Mr. Trigger also worked on for three and one-half years.

Mr. Trigger stated that by bringing NTH and SCS together, they have brought an extraordinary level of talent to the project, which they felt would be unparalleled nationwide. He stated that NTH was the best in Michigan, and SCS was the best nationwide. He stated he had brought that up because as they went through the explanation of the components of the remedy, the Authority would understand they had proposed them because they were listening to their experts, and to the concerns heard from the Community.

Just to provide some perspective, Mr. Trigger reminded those in attendance that the site was in a location adjacent to Hamlin Road, south of Riverbend Park, which was adjacent to the Clinton River. He stated that the proximity of the River and the proximity of the Park became important issues when they evaluated what was the right solution for the site. He indicated it also underlies the interest the Oakland County Drain Commissioner's Office had in providing financial assistance to the project, because the Drain Commissioner's Office wanted to do things to enhance the Clinton River Watershed. He noted that also explained the interest of the Clinton River Watershed Council in some of the things REI was proposing to be done in Riverbend Park.

Mr. Trigger stated he wanted to address one other issue, which was “is this site a problem?” He stated the fact that it has been questioned gave him pause because he did not think there was reason to question it. He referred to some photographs being displayed on the projection screen that were taken in 2005, which was originally a retention basin on the northeast corner of the site. He described one area as a “gullywasher”, which was an erosion area along the eastern side of the site where there have been historic leachate outbreaks. He pointed out two photographs that depicted two gas bubbles, and a much large gas bubble in and around some ponded water that had a sheen on it. He stated that the City’s Consultant previously noted this was evidence of methane gas migration from the landfill in an uncontrolled manner, among other things reaching the retention basin and flowing out from the storm water runoff across Hamlin Road.

Mr. Trigger stated they had conducted a series of methane gas investigations on the site, and found methane within the landfill up to 70%, and methane concentrations outside the landfill, off property, up to 41%. In addition, leachate and groundwater sampling data confirmed what they had previously concluded, and the City’s Consultants had concluded, that the groundwater direction was generally to the northeast directly toward the Clinton River. Mr. Trigger said the essential point was that the groundwater moved in the direction of the Clinton River; the site is uncontrolled in its current condition from an overall environmental perspective, and they have samples collected from inside the storm sewer that ran along a portion of the site that transmits contamination directly to the Clinton River. He indicated that storm sewer was an interesting story in and of itself, noting it was installed by the prior owners to reroute a surface drain, and pointed out the line of that storm sewer was entirely within REI’s property, and was designed to reroute surface water. He noted an interesting consequence of where it was constructed was that it now intercepts ground water, and evidence in the monitoring wells shows that it captures ground water, and stated they would explain later why that was important.

Mr. Trigger briefly summarized that they had looked at key elements of the proposal and had identified a number of areas where they thought the proposal was an enhanced proposal. He noted with respect to the leachate collection system, they continue to have a leachate collection system on the site, but they way it was designed, with input from NTH, was that they would install a bulkhead. He explained they would go down and cut off the entire storm sewer on their property, and bulkhead the sewer line and the trench, preventing any migration leaving the site in the direction of the Clinton River. He stated that anything collected in that trench would be captured as part of the leachate control system, and discharged to the local sanitary sewer. He indicated that was an enhancement from the prior proposal.

Mr. Trigger referred to the gas management system, and stated this was where they had relied a great deal on SCS, because they had a substantial amount of experience in projecting gas concentrations and how to best manage them. He stated what SCS had proposed that was the best method for managing gas on the site was an active perimeter capture system. He described it as a system installed around the entire perimeter of the site tied into the compacted clay on the east end, that was designed to control off site migration. He noted that was a key issue. He stated the other thing SCS did was to develop several concepts on how to integrate the gas management system with the entire development, including the cap that will be installed on the site.

Mr. Trigger stated they had reduced the volume of waste material that will be removed from the site. He noted substantial concerns had been raised previously about the potential impacts of requiring twelve months duration to remove approximately one million cubic yards of waste from the site. He indicated that the current proposal was in the neighborhood of 350,000 cubic yards, and stated that as they refined the project for final design, it was their goal to be less than 350,000 cubic yards, which would cut the time period for transport and removal of material from the site by approximately one-third. He stated they felt that was good news and was responsive to the concerns they heard from the Community, and created a shorter period of operation.

Mr. Trigger referred to the landfill cap, and stated they evaluated along with SCS and NTH the most appropriate cap, considering how to manage gas control issues on the site; how to manage storm water runoff on the site; how to build pavement and buildings on the site; secure them properly, and prevent infiltration and secure a remedy for the site. As a result of doing that, and integrating the gas management system in with the cap, he reported they had improved the overall system.

Mr. Trigger next referred to foundations, and stated the last proposal would have relied on conventional foundations. He indicated the revised proposal includes pile foundations in those areas in which they propose to build buildings on top of the waste that will not be removed from the site. As a part of the foundation design, and with input from SCS, they developed a gas management system integrated with the pile foundations that provide extra protection for those buildings. He noted this was not included in the previous proposal. He stated they believed this was a more robust gas management approach, and they had increased their investment in gas management on the site, and it will be a better approach overall.

Mr. Trigger stated another point that was worthy of mentioning, although it was not integral to the 381 Work Plan, but was a part of their overall development project concept, was that the regional storm water management concepts had been enhanced by a unique, creative design of the storm water retention and infiltration facility within Riverbend Park. He noted it was very exciting for them to offer this, and it was also something that the State of Michigan looked for when they support projects. He explained the State asked what an applicant was doing to creatively manage storm water and related issues on the site. He stated that created an enhancement in how they managed storm water overall, which was a key issue for this site. He commented that when they capped the site, the goal was to prevent infiltration into the site, which meant they must take all storm water and manage it and move it off site. He indicated that managing the storm water was an integral component of the remedy for the site, and was not an integral part of the 381 Work Plan. He explained that work was being done off site under other auspices, but was integral to the development.

Mr. Trigger introduced Mr. Jim Grant, stating Mr. Grant would go in to more detail about the work that had been done leading to their recommendations.

Mr. Grant thanked the Board for the opportunity to present this update, and stated that as Chair of the BRA in his hometown, he understood this was a lot of information, and the data slides would most likely generate questions. He suggested the Members keep notes and detailed questions, explaining they had compiled their presentation in a layered

method hoping that any questions would be addressed a slide or two later as they began discussing the remedy.

Mr. Grant showed a slide depicting soil boring locations and stated this was an important slide because they wanted to show spatially just how thorough their investigation had been. He noted that between the preliminary and supplemental investigations that had been performed, there had been an extensive amount of underground data that had been generated. He referred to a summary of the number of soil borings and test pits, the location of monitoring wells and gas probes, which was important because that was the expert consultants have relied on in moving forward with solutions for the site.

Mr. Grant highlighted some of the differences in the supplemental investigation since the preliminary design that were outlined, noting the most significant was that they used specialty drilling methods approved by the DEQ to drill much deeper below the landfill. He stated they had several borings on the order of 70 to 80 feet below the landfill, with an average of about 50 feet. He explained that allowed them to have a much better understanding of the hydro geologic characteristics of the site, and to focus their solution so they could address some of the public concerns. He noted they were also able to address some of the comments they heard from the State of Michigan as they advanced the preliminary design.

Mr. Grant stated that with the supplemental investigation and the additional monitoring, they had been able to confirm some of the preliminary understandings, and confirmed that groundwater was, in fact, flowing to the northeast toward the Clinton River. He pointed out on a slide the very northern property of the landfill where a red line depicted the existing storm sewer. He noted how the groundwater contour lines started to "pull" when they got in the vicinity of that pipe. He explained that because of the way the pipe was constructed, and the granular backfill material that was around it, it was actually intercepting groundwater and/or leachate as it comes out of the northern boundary of the site. He stated that was significant because not only was there groundwater moving to the northeast taking contamination to the Clinton River, they also had the pipe that was intercepting material, which actually terminated across the road directly into the wetlands area adjacent to the River. He stated there were two methods that were transmitting contamination directly into the Clinton River.

Mr. Grant stated they had used their monitoring points to gain a very good understanding of leachate characteristics versus groundwater characteristics. He pointed out three locations on a slide that were representative of what they believed were purely leachate samples they collected and analyzed chemically. He noted of those samples there were several different types of chemicals that were detected. He indicated they had volatile and semi-volatile organic chemicals, which were something typical to gasoline, solvents, fuel oils and that type of material. He stated they had ammonia, cyanide, chloride, a multitude of metals and phosphorous that were detected in those samples. He stated that of all those chemicals that were detected, the ones that were highlighted on the slide (the VOC's, ammonia, cyanide and metals) are present above the State's criteria that are protective of surface water bodies (the Clinton River in this case).

Mr. Grant stated they also looked at several monitoring wells on the southern and northwestern boundaries of the landfill that were outside of the waste in the native geology. He reported at those locations, they had mostly detections of dissolved metals, that would be typical of background in any groundwater source, and they had one detection of a volatile chemical on the northern part of the property. He indicated that detection did not exceed any of the State's criteria that was protective of the surface water.

Mr. Grant stated that when they looked at wells that were on the eastern and northeastern portion of the landfill, outside of the waste limits in the native geology, they had a different story. When they measured the groundwater in those locations, they had detections of several chemicals that were in the leachate samples such as the volatiles, ammonia, chloride, metals and phosphorous. He noted of those they had ammonias and metals that were detected above the State's criteria that is protective of the surface water. He emphasized that the location represented by MH-2 (manhole 2) was actually a sample that was collected from inside of the pipe of the storm sewer that discharges directly into the Clinton River.

Mr. Grant questioned "why is this happening in this manner" and "why is this leaking on the eastern/northeastern edge of the landfill". He stated there were really three mechanisms present. One, as mentioned, was the way the storm sewer pipe was constructed, it was intercepting water and/or leachate on the northern boundary, and transmitting it down the pipe directly to the River. Two, moving to the east of the landfill, the surface elevation dropped. He explained the historic depth of mining and hence, waste placement, in that area was much deeper than in the other parts of the landfill. He stated that moving east, the groundwater table and the landfill waste start to interact together, creating a constant source of dissolved chemicals finding their way out of the property. Thirdly, moving to the east, they understood from their deeper borings that the geology gets much sandier, allowing a direct transmission of dissolved chemicals through the groundwater table and into the Clinton River.

Mr. Grant stated they also spent a lot of time looking at gas issues on the site. He explained that in total there were thirty-one gas probes they have been monitoring within the landfill limits, and additionally there were seventeen gas probes that have been monitored outside the landfill limits. He stated the methane concentrations that were measured inside the landfill ranged up to the 70% range, and the methane concentrations that have been measured outside the landfill ranged up to the 41% range.

Mr. Grant stated that SCS, their gas consultants, in studying the data, characterized this as a low pressure system, and a tailing-edge landfill, where its gas production years were somewhat behind it. However, this being an uncontrolled, unengineered "dump", noting landfill might be an inappropriate term by modern standards, some of the damage had already been done from a gas perspective.

Mr. Grant stated that in order to address the issues, they had broken up the remedy into several components, so they could be readily compared to the preliminary proposal and design and the enhanced design. He indicated the leachate collection system was still the same in the context that they would be intercepting leachate on the northern boundary and the eastern boundary of the landfill. He emphasized the new eastern boundary, which was

represented in gray on the slide, where they would be completely removing waste in the east, creating a new clean waste interface, and at that edge was where they would be collecting leachate, taking it to a pump station, into the sanitary system.

Mr. Grant stated that the enhancement of the design with the updated data provided a better understanding of how the storm sewer was working, and there was in fact a direct discharge into the River. He stated they would physically cut the pipe, and the piece of the pipe and the backfill that were transmitting contamination, would be built into the pump station, and then they would bulkhead the pipe and the backfill material, downgrading it. He explained there would not be a way for that pipe or the backfill to transmit anything beyond the leachate collection system.

Mr. Trigger further explained this design enhancement, suggesting the Members visualize a pipe dumping into a manhole, being bulkheaded off, meaning there was no more possibility of a transfer downstream, and that they would collect anything in that manhole into their leachate collection system.

Mr. Grant stated that in order to address the gas issues, he noted the preliminary design included an internal active system that was proposed, represented by the crosshatch section of the slide. He indicated that in their enhanced design, they completely encapsulated the gas issue at the landfill. He stated that on the eastern boundary, similar to the preliminary design, they would have an engineered barrier wall that prevents the migration of gas in the easterly direction. In terms of the remaining surface area of the landfill, they would have passive venting across the entire surface area, represented by the light and dark yellow portions. He stated the dark yellow portions were a paved surfaces network, and the light yellow portions were the greenspace areas. He stated that a later slide would depict the cross sections of what the gas collection would look like in those areas.

Mr. Grant stated that their third level of protection was represented by the red on the buildings, which were the redundant gas systems that would be underneath the buildings, which would be discussed in a later slide.

Mr. Grant stated that their fourth level of protection, which they felt was very significant over the preliminary design, was the active perimeter gas collection system, which basically was their sentry for the site. He stated this was the system that would intercept any gas that found its way beyond their new, engineered controls, so they could control migration of gas as it moves away, if it moved away from the landfill in the future.

Mr. Grant stated the excavation scheme proposed in the preliminary design was something on the order of 900,000 to 1,000,000 cubic yards of material, and was projected to take almost twelve months to manage the material. He explained with the deeper borings they had on the site, and with the better hydro geologic understanding they had, they were able to focus the excavation on the area of the waste that truly needs it. In this case, it is on the eastern wedge, the location where he had discussed the waste and groundwater intercepting and coming together. He explained it was significant to get the waste out of that area because as long as the groundwater and the waste interact, there was a long-term, perpetual source of additional leachate and additional gas generation. He stated that with their supplemental

data, they addressed the public concerns about the nuisance factors regarding the fact that the landfill would be opened up for twelve months; the fact there would be significant truck traffic to move the material around, and potential odor issues. He stated they have taken twelve months and shortened it to something on the order of three or four months.

Mr. Grant stated the reason they felt this proposed Plan was better was because less waste removal equaled lower potential for the nuisance issues, whether it was odor or truck traffic. He noted they still have the responsibility to manage those issues, but had truncated the time frame in which that had to be a manageable issue.

Mr. Grant indicated he would now present a series of before and after slides of the cap that is proposed to be installed at the site. He referred to the greenspace areas represented by the light yellow hatching in a prior slide, and noted not much had changed. He explained the preliminary cap design was a thirty-six inch cross-section and included twenty-four inches of clay and six inches of vegetative cover. He stated they would likewise have the FML twenty-four inches of clay, six inches of vegetative cover; however, their improvement was the six inches of gas collection that would be added to the bottom of the cap in the greenspace areas. He noted that was an improvement for an important reason because it prevented a buildup of gas pressure underneath the cap. He explained the gas had a way to find its way into the passive gas network and get vented out from the landfill, reducing the worry about it as a long-term issue.

Mr. Grant stated that beneath the paved areas in the preliminary design they had a thirty-six inch cross-section made up of various layers, and had proposed a more robust cross-section, with thicker pavement sections; more material from an engineering perspective to make it hardier so they did not have to worry about water infiltration issues getting down to the waste, which was a primary issue they were trying to control. At the bottom, they also added a six-inch gas collection layer that did not exist previously. Similarly, they were not allowing the buildup of gas as they were transmitting it to their passive venting system to move it away from the development.

Mr. Grant stated that in the preliminary design there was actually no type of gas management or cap systems that were proposed beneath the buildings. He indicated that in the enhanced design included the fact that they now had a redundant gas collection system below the twelve-inch cap, that moves the gas away from the building using the passive venting network that is installed in the greenspace and under the pavement. He stated that above the cap and below the floor slabs they had an active gas collection system that creates a small vacuum so that it can absorb any gas that might find its way into that space.

Mr. Grant asked “why this was better” and explained they had thicker pavements to improve the management of storm water and water infiltration down into the waste, which they were trying to prevent, as well as they had the redundant gas systems beneath the buildings.

Mr. Grant stated the Mr. Trigger would discuss some “real life” examples that mirrored some of the things they had just presented.

Mr. Trigger mentioned they were pleased to have Mr. Grant as part of the REI team, noting he had over twelve years of experience as a geotechnical engineer; a vice president of NTH managing their Lansing office; worked on many brownfield projects; is a licensed professional engineer; is the past president of the American Society of Civil Engineers in Michigan, and was also considered a Young Engineer of the Year.

Mr. Trigger wrapped up with a couple of overall perspectives. One was that they were not new to this, and this was not the first time they had worked on a project like this. He noted he was referring to the collective talents, not just what SCS had done, but also what he had worked on.

Mr. Trigger showed a slide depicting a photograph of the Home Depot store located at Twelve and half Mile and Southfield Roads. He stated the store was built in about 1995; was built on top of twenty feet of municipal waste; it had a leachate collection system that surrounds the property, and historically there was groundwater migrating into an adjacent residential subdivision. He stated that site had a gas management system on it, which at the time was passive in nature. He pointed out a normal light fixture that had another tube adjacent to it, which was a passive gas vent that went down below the surface, underneath the parking lot, and served as a natural vent for the parking lot. In addition, adjacent to the building were vents, which vented the gas from beneath the building. He noted the building was a 120,000 square foot building that was built with cast-in-place concrete pile foundations. He explained that basically they drilled an auger down about 35 to 40 feet, and as they pull the auger out, they pump in concrete. He stated the entire building was put on piles, noting it was built on stilts above the waist. He commented that building was built about ten years ago, and if someone were to drive past it, they would never know it was constructed in that manner. Mr. Trigger stated that was a very successful project with the cooperation of the State under a covenant not to sue, noting the State reviewed the design concepts before it was completed.

Mr. Trigger then presented a photograph of an artist's rendering of the Fairlane Green development in Allen Park. He stated he had worked with the Ford Motor Company for almost four years on the redevelopment of that site, noting it was a 243-acre landfill, which historically had taken both non-hazardous and hazardous waste. He stated there was approximately one million square feet of commercial space being built on top of it, and last October buildings were constructed and opened on the site. He noted Target was one of the primary anchor tenants, and was the first to open last October, and was a very successful development, all built on a landfill, and all with the support and cooperation of the State of Michigan with a Thirty Million Dollar Brownfield Plan that was done about six years ago.

Mr. Trigger noted that when they said they could do this project, they had done it before, and there were successful projects in Michigan of this kind and character. He pointed out that there were differences from a geotechnical perspective, which is why it was very important for them to have NTH involved in doing the geotechnical analysis for the site. He stated NTH were the geotechnical engineers for the Fairlane Green Project, doing all the geotechnical evaluations on the foundations and how to build the project. He stated they were the people they had working on the subject project, and while the character of the waste was different, the geotechnical principals were not, which were to define and design foundations that would hold up the buildings.

Mr. Trigger stated that they thought when all of this was put into perspective, and how they had come about approaching the site, which he characterized as taking it apart, putting it back together, took it apart and put it back together a number of times, which was an evolutionary process, listening to the comments and concerns, going to highly-skilled experts to come up with the best advice on how to deal with the gas management and the geotechnical issues, and this is the concept they would present to the Authority as a full plan in the near future.

Mr. Trigger stated there would not be any gas migration or leachate potential to the east because that would be a solid wall of re-engineered clay. He noted all of the buildings would be protected with some appropriate gas control system, and the entire site would have a new, improved cap, particularly in contrast to the existing conditions, and the leachate collection system would include the innovative incorporation of the storm sewer.

Mr. Trigger stated that as part of the overall storm water management they drew in enhancements to the Riverbend Park. He indicated that was a creative concept that they believed in and of itself may be award-winning, that allows the management of storm water from the site in an environmentally sensitive way that would, in fact, enhance the wetlands adjacent to the Clinton River. He stated the process results in cooling of the storm water before it reaches the Clinton River. He indicated they were proud of this part of the project, and although it was not part of the 381 Work Plan, was integral to the overall concept they were bringing to the Community.

Mr. Trigger stated that as they put all the pieces together, they thought they could produce a product that would be something everyone in the Community could be proud of, and would provide new retail opportunities.

Mr. Carson stated that the enhanced plan was not motivated by and not designed to achieve, and does not achieve, a reduction in the cost of the development.

Mr. Trigger stated that the financing plan they had been working on, and the brownfield plan, speaks in terms of a Thirty Million Dollar cost estimate, and they were within that price range with the revised plan. He felt the best characterization was that they took it apart and put it back together several times, and they thought they had a better Plan, which was a Plan that got the development in a position where they could implement it, taking the revenue opportunities from the development, and producing a clean-up for the Community. He stated they were within the original price ranges, and as they went back and reconfigured the plan, and looked at their financing options, all the pieces fit together.

Mr. Trigger stated that the discussion about the grants and loan application would note that those funds were also a part of the financing formula.

Mr. Carson suggested the Authority not move on to the second issue to see if the Authority had any questions regarding the presentation that was just made.

Chairperson Walterhouse stated he would now take comments from the members of the audience who had indicated they wished to speak on the matter. He reminded those in the audience that if they wished to speak, they should fill out a speaker card and turn it in to the recording secretary.

Deanna Hilbert, 3234 Quail Ridge Circle, stated she had compiled some comments from the February 2004 City Council Special Meeting, and provided copies of those notes to the Authority. She stated that during that meeting, Mr. Woollatt, who was hired by REI in the past, had commented that the MDEQ would never allow building on waste. She indicated she would provide a summary of how the residents viewed this project, and some of the dialog they had held with different people over the last couple of years. She stated when the project came to them, they were told it was an emergency; it was a toxic mess; there was methane; their houses could blow up, and there seemed to be an urgency to approve the plan. She noted two years had gone by, and although some vents had been put in for the methane, it was still a work in progress. She did not know what the emergency was at that point. She stated there was an apartment building with Three Hundred (300) residents who live directly next to the site, and she did not know why the concern or emergency was not there when that complex was constructed. She stated she attended a Brownfield meeting in 2004, and they were told, after being told publicly that the site was a toxic hazard, that it was a residential landfill, and there was not concern there would be a lot of toxins, and the methane was in a downswing because it was an aging landfill, easily taken care of.

Ms. Hilbert stated that subsequently she had conversations with the MDEQ, and she learned there could be a possibility of toxins in this landfill, and they would not really know until it was dug up, whether it was 250,000 cubic feet of garbage or a million cubic yards; and that every truckload that came out of the landfill would be tested, and if it was a certain high-level of toxicity, it had to be redirected to a landfill and the cost would keep going up. She felt that was a concern. She understood there was concern that REI should have some bonds to protect such that if REI decided they did not want to do the project and walked away, there would be money to deal with what was left over, and “now we’re talking that maybe they’re not going to do that”. She indicated that was a concern to her that the City and Community be protected if something should not work out, that “we can fix this up”.

Ms. Hilbert stated the applicants had brought up things running off, and noted there was a difference between groundwater and leachate. She understood that leachate was water that got into the landfill and gets into the Clinton River. She said it had been stated publicly several times by Staff that leachate was getting into the Clinton River. She stated that just this March she had a discussion with the lady who was the director of the State Revolving Fund for the REI project, and she told her there was no data to support that leachate was getting into the river. She stated that “yes, it runs off; everything runs off” into the Clinton River, but she said there was no data to support that. Ms. Hilbert explained she had not said that, that was what had been told to her.

Ms. Hilbert stated when this project was originally trying to be sold to the Community, they were told ten years and Ten Million Dollars, and we would be getting millions of dollars of revenue. Then it was thirty years and Thirty Million Dollars, and now it has been published in the paper that it was estimated the cost would be Two Hundred Eighty-nine

Million, and that was only removing two-thirds of the garbage less, and asked what happened if they ran into more toxic material and the cost went up. She asked what happened if there was a problem with building on the landfill, and who would take care of it and how those costs would be covered. She stated the City should be concerned with the liability, noting it was not clear at the workshop because there were so many if's, and's, but's and perhaps, so it was not clear whether Oakland County was willing to assume liability for the development on this property.

Ms. Hilbert stated she wanted to inform the Authority that she had a conversation last year with Greg Kischler, who is the economic land developer for Target in the Midwest, and he told her that he was not obligated to go on either the REI or the Grand Sakwa property; that they were looking at both and each had issues and problems; and he told her the only way that Target would consider going on this site was if they were presented with a perfectly clean plat. She asked, if the applicant went through all this work and there was problem, and Target was not comfortable, "what then?" She stated she wanted this to be very carefully thought out, and she wanted everyone to think about the need to protect the City, the Community and the residents.

Dan Keifer, Clinton River Watershed Council, 101 Main Street, Rochester, Michigan, stated that while he represented the Clinton River Watershed Council (CRWC), he was also a resident of the City of Rochester Hills. He wanted to specifically address the watershed issues pertaining to this proposed development. He explained the Watershed Council had been involved with these proposals for over two years; they had spent a lot of time understanding how this piece of property impacted the Clinton River; they believed it was significant; and he would characterize it as "a chronic problem", such as long-term, low-grade infection, or perhaps a mild form of cancer. He stated that what this piece of property did to the Clinton River was felt. He noted that he was not a geotechnical expert, but had been around rivers all his life, and had been a part of the Watershed Council for four years, and he knew what his eyes saw. He explained his eyes saw that the wetland at Riverbend Park was greatly harmed by the surface water runoff; that the storm water discharge pointed out in the presentation had a significant impact on the discharge into the River; that the surface water runoff from Hamlin Road, since it was improved, had a tremendous adverse impact on the Clinton River.

Mr. Keifer asked "why we should worry about the Clinton River", and stated that first of all there were about one million people who lived downstream who had property rights and recreation uses. He stated that secondly, the River had a great deal of potential to the Community in terms of property values, quality of life, and recreation, which started across the street in Riverbend Park. He stated the CWRC had provided testimony at the Planning Commission meeting about a month ago, and were in full support of the storm water management plan that was referred to. He stated the Council believed it was award winning, and he thought the City was on the verge of perhaps winning awards for this overall development. He pointed out that forty or fifty years ago, when those landfills were put along the Clinton River, Avon Township was a sleepy little place, and no one ever imagined that Ninety Thousand people would be living here, but noted "we are here today." He stated that forty years ago no one ever had a sense of what it was like to properly operate and construct a landfill, but noted "we all know better now." He stated what needed to be done in this Community, and what the Council was trying to do all across the watershed, was remediation like this, i.e., remediation that took problem areas and turned them into good areas that were good for the

Community, as well as for the watershed. He stated that what was being done with Madison Park, and this property, was setting the tone for what would happen with the landfills at the eastern end of the City in the future. He stated he was present to lend his support in terms of what was being done in terms of watershed protection and watershed management. He stated he did, as a resident, understand some of the concerns that Ms. Hilbert mentioned; and he thought it was up to the Authority, the Planning Commission, and City Council to make sure that the liability and protection of the City is done and he was confident that could be done.

Robert Jacobs, 121 West Long Lake Road, Second Floor, Bloomfield Hills, Michigan, stated he represented some of the property owners in the Community. He stated he was not present to criticize the efforts of REI to clean up a landfill, as he thought that was a laudable, good thing. He expressed concern about the process, which was one that was codified within a Consent Judgment before Judge Kuhn, and provided for certain procedures and safeguards, and a process by which any plans were to be submitted and a Due Care Plan was to be submitted along with detailed engineering to a Planning Commission. He stated these were to be acted upon, public hearings held, so that the public, citizens, and property owners could voice their concerns and talk about the project. He stated that neither the presentation tonight nor revised plans were included at the Planning Commission meeting, noting the revised plan was dramatically altered. He stated he was not talking about the physical rendering and the downsizing, but he was talking about the difference in what was contemplated tonight, the cleanup and the methodology of doing that. He stated the discussion tonight regarded the Authority giving a seal of approval to certain financing. He stated the Consent Judgment talked about public financing, and the applicant was talking about utilizing some other means through grants, and as of this moment it was unknown what type of guarantees or assurances there would be. He stated the type of grant the applicant specified required the obligation of the full faith and credit of the Community. He thought that might be obviated by certain things the applicant did, but expressed concern about the Authority being given certain materials for this meeting, which he had to digest in next forty seconds or so, and make decisions and recommendations when the Planning Commission had not seen this material, and had not seen the alternative plans. He stated he was talking about the cleanup and the remedy. He indicated that size of the project had diminished greatly, but the costs seemed to be the same. He said the equation was "how is this cost going to be paid for in the TIF". He thought it was more appropriate, if a different approach was being taken, or if the site plan was being changed, or if the methodology of financing was changing, or if the methodology of the cleanup was changing, that all of those things should be addressed in an amendment to the Consent Judgment, and only after public hearing and the opportunity for the public to address these issues.

Brenda Savage, 1715 Northumberland Drive, stated she represented "No New Taxes" and expressed concern about the part of the presentation that mentioned City financing. She said that if REI or a subsequent developer went in to default, Rochester Hills could become responsible for repayment of the bonds, which was serious concern, especially with projects of this magnitude. She said that Bloomfield Park, a Two Hundred Fifty Million Dollar project, was required to have Two Hundred Fifty Million Dollars worth of performance bonds, and stated she expected something like that to protect the taxpayers. She also said the applicant had talked about "partners" and wondered specifically about the benefit to Rochester Hills as a partner. She said she knew what the benefit was to REI, but would like to know exactly

what benefit went to whom. She thought with the detail presented, the applicant was capable of providing that information. She thought the MDEQ and the EPA should be the means of determining toxicity, leaching and other pollutant concerns, not REI. She did not think that was appropriate because it was the “wolf guarding the henhouse”. She wanted to go to the sources that would be most objective in that regard. She stated the project had become too small. She said the reason she said that was not because she wanted a bigger project, but because it appeared that the reason for the improved plan was so the applicant could meet the financial requirements and borrow money from the taxpayers. She stated that as the chairman of “No New Taxes” she would tell REI, “if we become responsible for a project like this in any event, anywhere down the line, Rochester Hills stood to lose everything that it has and everything it hopes to have in the future” and that was not a risk worth taking. She asked the Authority to seriously consider whether REI was meeting all the needs that must be met in order to assure the residents and taxpayers of Rochester Hills that they are not going to be cheated out of their greatest investment in their lifetime.

Ed Baron, 3310 Greenspring Lane, stated this was a very important meeting, and REI did something he found astounding. He explained they “got rid of the old team,” all the engineers, and all the “pro’s” that were here originally when they proposed the removal of two million cubic feet. He stated the members of the Authority were “neighbors” and he had confidence in them to protect the City. He referred to the comment made during the presentation where the site was referred to as a “dump” not a landfill. He stated when he talked to the EPA, Region #5 in Chicago, they said it was a landfill and they always had concerns when it was a landfill. He stated he had called the main office of the EPA, expressed his concern, and they called the site a landfill, not a dump. He referred to the improvements, and the comments made by the representative from the Clinton River Watershed Council. He stated they all wanted good things and wanted to save the river, but they had to look at reality. He said one of the first slides shown by the environmental “folks” said they would “build a ditch to prevent contaminants from going to the Clinton River”. He questioned whether that was a big improvement, or was something that would ensure the Clinton River would be safe.

Mr. Baron stated a statement had been made about the decrease in square footage, and he said this meant there was a question of REI having financial concerns. He questioned whether an investor in New York would invest in having buildings built on a landfill, particularly buildings that had thirty or forty foot stilts. He thought they would have a hard time getting an amount of money, without a solution. He mentioned having the County guaranteeing the bonds, but stated they also needed the City. He questioned whether a banker would feel comfortable making this type of a loan. He noted the comment about performance bonds made by Ms. Savage, and stated he thought that was an excellent idea. He proposed one more step if the project went forward, questioning what the City would do if REI was on an airplane and it crashed. He felt the City needed a performance bond that someone that was qualified and with financial backing, could replace REI, which would eliminate the uncertainty to the taxpayers and the people that live here. He noted Member Karas was retired and not looking for a tax increase to pay for someone trying to build a Target on a stilt. He stated he had not heard the term from the applicants about residential. He asked if everyone realized there was an apartment complex with over six hundred units that abutted the property. He noted they were not one hundred feet away, or one thousand feet away, or half a mile away, but abutted the property.

Mr. Baron stated the Authority's decisions were important because it was health and safety. He mentioned that the presentation indicated they would have a gas collection system under the buildings that were on the forty-foot stilts. He stated his reply to that was "Dear God, I hope they have no smoking signs" as he felt that was ridiculous. He agreed with the comment made that the Authority had an important decision to make, and thought the Authority should make good decisions.

Mr. Baron stated when he was at the courtroom, he was told all those bad things about the site regarding health and safety, and stated that a year and a half later nothing had happened. He stated no one had died, the birds were still flying, the kids rode their bikes there, and they had not closed the bike path. He asked the Authority to make the decision as neighbors and to make it personal. He stated Rochester Hills was voted a very attractive city by different magazines, and this was a quality of life issue. He noted each member of the Authority made different contributions, and asked them to make their decision as neighbors.

Bill Windscheif, 2872 River Trail, stated he had attended the meeting primarily to listen, but as the presentation progressed he became confused about several things. He was confused about the process, stating he was familiar with the Consent Judgment and the procedure going on for the last several years. He said the Consent Judgment specifically called out for the Planning Commission to approve the site plan, and then it would move forward. He stated that what actually happened several weeks ago, the Planning Commission approved the site plan with a lot of contingencies, but they approved the site plan without seeing a site plan because there was no site plan. He corrected his statement by saying they approved a site plan without seeing a work plan, and that the Consent Judgment very clearly pointed out they needed to see a work plan and a due care plan in order to approve the site plan, which did not happen.

Mr. Windscheif stated that tonight they were seeing somewhat of a work plan for the remediation of the site. He stated he had a good memory, and remembered vividly being at a meeting about two years ago, and at that time this project was basically sprung upon the populace with little notice for a variety of reasons. He stated as they listened to the reasons why this project and the scope of the project was necessary, they were told very specifically that this was a "ticking time bomb" which were the exact words used by some of the City Council members who were at the meeting, and the site had to be remediated because of the contamination; the methane gas; it might explode as happened some time ago, and there was a high level of urgency and that was the reason why it had to be rushed through to move it forward. He stated at that time the applicant proposed what he considered to be a very extensive, very elaborate and very large project of remediation. He stated it was a million cubic yards, and they calculated 60,000 truck trips, and they did not know how long it would be open, but it might be twelve months. He stated that now they were looking at a much scaled down project, and asked "who was right" - "whether the experts who presented the information two years ago were right, or if the experts at the meeting tonight were right". He asked what transpired between that two-year period, besides additional testing, that allowed them to believe that the scaled down remediation is best for the Community. He clarified "not best for the project, but best for the Community".

Mr. Windscheif stated he resided close to the site and he was personally very concerned about it. He stated he was concerned the landfill would be opened up and there would be a lot of nauseous fumes, and his swimming pool would be contaminated with particulates. He asked, regardless of the size of the project, who would protect him and his family. Whether it was the City, the MDEQ, or the County, and stated he would like to get an answer to that question.

Mr. Windscheif stated he remembered when the project was discussed, they had talked a lot about methane gas. He stated the experts in the room at that time, wanted to make sure that no buildings were constructed on top of any potential ground that would allow the permeation of methane gas. He stated that what he saw tonight was an engineering scheme that specifically addressed that eventuality if methane gas were to get underneath the buildings, there was a way to take it away. He stated that at the prior meeting, they specifically said the project would move forward and there would not be any methane gas under the buildings.

Mr. Windscheif stated he saw the portion of the presentation depicting a Home Depot with passive methane vents. He stated he was reminded of a local landfill in Troy where a golf course was built on top of it. He stated that last year he played that golf course for the first and last time, because it had vents similar to what he saw in the Home Depot picture. He explained the vents smelled terrible and it was very uncomfortable to be nearby. He asked if the proposal happened, whether the vents would smell.

Mr. Windscheif asked, if the project was scaled back to the extent shown at this meeting, and the cost would remain the same, how that could be justified. He stated he was a taxpayer and eventually all the money for this would come initially from a redirection of the tax revenue stream through a TIF. He stated that obviously the quicker this project could start generating revenue for the City, the better it was for everybody because that was real reason this project was started in the first place.

Mr. Windscheif stated the one question he really wanted answered was when the landfill was opened up, who would protect him, and when he was awakened in the middle of the night with nauseous smells, or when he was barbequing in his backyard and particulants fell on his steak or fish, who he would call. He asked if he would call the applicants, the City, the Mayor, or the DEQ.

Steve McGarry, 2164 Clinton View Circle, stated he also lived very close to the proposed development. He expressed concern about the process being followed. He stated he had spent some time reading the Consent Judgment, which required an approved work plan, which is submitted by the City and the Authority to the MDEQ; the MDEQ then had to approve the work plan, and that triggered the site plan approval process. He thought the process was put in place for the protection and the safeguard of the residents of the City, and was concerned it was not being followed. He stated he had worked in the automotive supply industry for over twenty years, and knew about program management. He stated the process of getting the work plan approved through the City; then submitted to the MDEQ; then reviewed and approved by the MDEQ; and the site plan being approved, and then going back to secure the funds took time. He knew the Clean Michigan Initiative grant money and loans expired at the end of September, because that when the annual budget or fiscal year ended. He was concerned

about whether the City was following the process that was initially laid out, and whether the City was looking at the protections and the performance duties required by the Consent Judgment; or were they racing to get all of this done, regardless of the order, by September 30th.

Chairperson Walterhouse stated that of the Authority did not have any objection, he would allow the applicant to respond to the questions asked during the public comment.

Mr. Carson stated they would address the basic concerns, noting it was important to remain focused to which step of the process and which particular Board they were in front of, and what were the issues for that particular Board, and how it fit within the overall scheme. Mr. Carson stated he found it interesting that Mr. Jacobs did not identify himself by address, but by saying he represented some property owners. He believed Mr. Jacobs was involved with the Consent Judgment for the commercial project on the south side of the freeway that was currently under construction, and had some competitive concerns with respect to what was going on.

Mr. Carson stated the issue before the Brownfield Redevelopment Authority was singular in nature. The issue that would be before the Authority in general and what would be addressed in a few weeks was the approval of the conceptual plan just presented, which they considered an enhanced plan. He stated the MDEQ would approve the 381 Work Plan, along with the County, assuming the County bonding authority was involved, and they would be monitoring the work along with the City as it went forward. He stated they have given a rather detailed preview of what would be presented in a few weeks, which he thought was a benefit to the Authority.

Mr. Carson said the site plan went to the Planning Commission, and the issue regarding process and procedure as to whether it was in the right place at the right time was addressed before the Planning Commission, and City Council had addressed whether it was the appropriate procedure and the appropriate time. He said the site plan was an issue for the Planning Commission and the City Council.

Mr. Carson stated the issue that would come before a number of City Boards, Commissions and Departments was the financing. He stated this was because the 381 Work Plan was necessary to have the remediation go forward, and then the financing needed to be in place. He explained that tonight the Authority had been presented with an application to provide an opportunity for the 2006 Fiscal Year of the State to make an grant in the amount of One Million Dollars available, and a loan potentially in the amount of One Million Dollars available, assuming the application came in on time. He stated the City would not be borrowing any money based upon the Authority's authorization or suggestion that the application be made. He indicated the City would not have any financial exposure based on the application. He stated the City would not incur any obligation whatsoever based on the action of the Authority at this meeting. He explained what happened was that it would allow the applicant to "take a number" and hold their place in line for that opportunity.

Mr. Carson explained the opportunity to the City was that the grant component was a grant. Assuming the project went forward, assuming the 381 Work Plan was approved, assuming further agreements go forward with the City, approved by the City Council, and the project went forward and it is otherwise fully funded after agreements with respect to the

remainder of the funding, and the work is done and the money drawn, the grant component does not have to be paid back, and the incremental financing (tax or TIF) will never have to be used to pay back that grant portion of the money. He stated that was a savings to the citizens and it was a savings to the entire Community and it was a savings to all concerned in the project because the grant portion reduced the amount that would have to be recaptured.

Mr. Carson stated that the authorization requested tonight was simply to take a place and hold the money available assuming the project went forward. He noted there was another agreement in place that was being circulated now, which was a fully collateralized, primary guarantee relating to any of the money that might be received in this regard. He stated that made it absolutely clear, and the application could make it absolutely clear, that in no event will the City have any financial exposure with respect to the funds being sought. He explained that nothing would happen until the City signed off and the agreements were in place. He indicated the agreements for the City could not be undertaken without a vote of the City Council, which was the only body in the City that could authorize contracts for the City in that regard.

Mr. Carson stated that what the Authority was doing was holding a place, noting that if Rochester Hills did not hold the place for this fiscal year, it would be lost and some other city would get the benefit. He stated it was simply authorizing an application, which would have not financial exposure whatsoever to Rochester Hills.

Mr. Carson referred to the question about the benefit. He noted that yes there was an adjacent apartment complex, and yes there were neighbors in the area, and stated that none of the people in the room or sitting at the table had any responsibility whatsoever for creating the conditions that were being addressed by this remediation. He stated that looking it on an absolute scale, it was a question of whether the City would be better served by leaving the site in its current condition with whatever problems, or would it be better served by being remediated. He asked if the neighbors who lived next door would be better served by allowing the contaminants that exist, noting it was indisputable that they exist, whether it was an absolute emergency, or whether they would be better served if the site were remediated.

Mr. Carson said the State of Michigan and the City of Rochester Hills had made a policy decision in order to address sites like this, that brownfield authorities would be created, brownfield redevelopment plans could be enacted, and that tax increment financing could be captured, which was not a cost to the citizens. He explained that unless the site was remediated and redeveloped, there would be no incremental tax, and there could not be any development.

Mr. Carson stated the neighbors were caught in a debate with themselves, which he understood because everyone was concerned about the unknown. He explained the debate they were having was they were concerned about opening up the landfill, how long it would be open, what kind of harm would there be, how would it be taken out, and whether there was some other way to do this. He thought it was good news that there had been a two-thirds reduction in the time, and a two-thirds reduction in the amount of material that would be taken out because it addressed one of the biggest concerns they had heard.

Mr. Carson referred to the question of whether that meant the site would not be as remediated or was going to be a problem. He stated that assuming that the bonds were in place without any liability to the City, which was the only way the bonds would go forward, and assuming that the 381 Work Plan is approved by the State, whether it could be leased once REI guarantees the financial obligation, was REI's problem. He took some comfort in the photographs that were presented because they were of major companies actually operating in Michigan on areas that are exactly what was being discussed at this meeting. He was not as concerned about someone saying it was impossible to do this because they had presented demonstrations where it was done. He reiterated it was not a risk for the City, and it was not a risk for the bondholders because those would be guaranteed. He stated that was made absolutely clear to the City, and the City's bond counsel had a draft of the documentation pertaining to no financial obligation.

Mr. Carson reminded the Authority there was a Consent Judgment in place that addressed almost all of these issues; addressed the obligation of the City to cooperate in the remediation; addressed the obligation of the City to help facilitate the financing assuming the City was not financially obligated, and that was all that was being proposed at this meeting.

Mr. Carson stated as to whether their enhanced plan was efficacious, he noted the City had consultants, attorneys, the MDEQ and the County, all of which had a primary obligation to make sure that the remediation plan works, and that the financing that has been put in place will be paid back without risk to the City, and that the costs that go forward have been fully tested. He understood there were concerns, but stated there was no doubt, and the Judgment addressed it, that the circumstance that currently exists on the site was not good news for the area or for the City, and cried out for the remediation. He explained that was why they were here tonight; it was an opportunity, and fell directly in line with the obligation that both sides have undertaken.

Mr. Carson referred to the comment about digging a ditch and letting the leachate run through that, and stated he had not heard that said. He did not believe this plan was an open-ended plan that could get out of hand because there were too many people involved, including the State, the County, the City and the City's experts.

Chairperson Walterhouse emphasized to the Authority that he did not want to become too involved in the plan or revised plan because they would see it again shortly. He stated the Authority should keep their references to plan to those that relate to the application for the grant. He then opened the discussion up to the members of the Authority.

Mr. Stevenson referred to the time period, noting it was previously twelve months, and asked if it was going to be three months or nine months. Mr. Carson asked if Mr. Stevenson was referred to the removal of waste. Mr. Stevenson responded that was correct. Mr. Trigger stated their original projections estimated that five to eight thousand yards of material a day would take around twelve months of constant truck movement to remove the material from the site. He stated that had been revised to approximately three to four months.

Mr. Stevenson stated there was some confusion about why this was before the Authority, noting he was not sure what the Authority had to do with finance.

Mr. Delacourt explained that when the City was asked to consider the grant and loan application, it was asked to be submitted to the DEQ by the Authority. He stated that any decision regarding whether to engage in loan agreements or backing the bonds, were City Council decisions. He stated that because the loan and grant request was for remediation that the Authority had the ability to submit to the DEQ to review and approval, City Council felt it was important that the Authority be given an update on the remediation, and where the applicant was in the process in connection with this request. He explained if the Authority decided to act on this matter, the only thing the Authority would be doing was authorizing the City Council and the Administration to submit the grant application on the their behalf. He stated the Authority would not be authorizing the application to be submitted, and suggested any potential motion state that the Authority authorized the City to submit the application, and include conditions based on the issues raised by both the DEQ and the City's environmental consultants regarding the submittal of the application.

Mr. Delacourt explained this was basically a two-part process. One would be the authorization from the Authority for the City to submit the application, and then City Council approvals and loan agreements would be required to finalize the application.

Mr. Stevenson stated that City Council had said they did not want to have anything to do with borrowing money or financing for this or any other project. He asked what would happen if REI pulled out three or four months down the road or went bankrupt.

Mr. Carson clarified the question was if the grant and loan had been received and then REI pulled out. He explained the loan and grant documentation provided a letter of credit in the full amount to support it, including interest. Therefore, there would be no way that the City could ever be liable. It would be a matter of having the bank pay the letter of credit to pay off the grant and loan.

Mr. Stevenson questioned if REI went bankrupt and all the principals were in Hawaii. Mr. Carson explained before the loan would be made, a letter of credit would be posted by a bank for the full amount plus interest. In the event REI defaulted or otherwise did not pay, or anything happened, the bank would write a check and pay it off. He stated it would not matter whether REI was in business or out of business or otherwise because it was a fully collateralized letter of credit with no exposure to the City.

Mr. Brice stated that Mr. Carson description was correct, and the City's bond counsel had been working with REI's counsel on a guarantee as part of the plan. He stated Mr. Stevenson was correct in that the City did not want to have any financial liability. He indicated that the grant and the revolving fund loan require the request to come from a municipality, so REI itself could not submit the application. He stated that part of the agreement included if they came to an appropriate agreement, the City would submit the application with the binding agreement that included the letter of credit. He explained with a letter of credit, the bank would be promising to pay the City "X" amount of money, which was an agreement between the bank and the City. He stated the City would have to make sure the letter of credit came from a bank that the City felt comfortable with. He stated this was a common practice with development agreements.

Mr. Delacourt stated it was his understanding, and Mr. Brice had confirmed, that the letter of credit agreement was being reviewed the attorneys. He clarified that was something that City Council would make a decision about, and would not be reviewed by Planning or Engineering Staff, but was reviewed by the City Attorney and the City's Bond Attorney, who would make the appropriate recommendations as far as the City's faith and credit. He explained that Staff and the consultants were not making any recommendation as to whether the security package was or was not adequate, and he had not asked for an opinion on that from the City Attorney or City Council. He noted that none of that information was available to him at this time, nor would they be a part of that decision.

Chairperson Walterhouse asked if accepting the letter of credit was something City Council would take action on, and would be a matter of public record. Mr. Brice stated the letter of credit itself would not; however, the agreement and the guarantee that the letter of credit essentially is backing, would be an action taken by City Council.

Mr. Stevenson asked if City Council should be telling the Authority that they wanted the Authority to do this so they could approve it.

Mr. Delacourt stated that the Authority's review was important to City Council because the loan was associated with the remediation. City Council had concern that the remediation being worked on with the DEQ was different that the original 381 Work Plan reviewed and submitted by the Authority. He indicated that Staff also felt it was important that the Authority receive an update on the remediation before making any recommendation as to whether or not to authorize the submittal of the grant application, if City Council chose to do its half of the process. He noted there was no defined process of whether the grant application had to be preceded by an approved 381 Work Plan. He indicated a 381 Work Plan had to be approved before any of the money was released, spent, or utilized; however, there was no defined process whether the 381 Work Plan had to be finalized and approved before the grant application is submitted for review by the DEQ.

Mr. Trigger commented that REI had made the commitment with respect to the loans and grants and would not seek to claim any costs under either the grant or the loan until the 381 Work Plan is approved. He stated that provided additional assurances to the City with respect to the type of questions that had been asked about what the money would be used for. He stated they were available and willing to make the same presentation made before the Authority to City Council, but were asked to bring the presentation to the Authority first because it was within the purview of the Authority to understand what is going on with the plans and the process. He said they would be happy to give the same presentation to City Council and answer their questions so everyone understood what they were being asked to support without financial risk to the City.

Mr. Carson understood that the Authority authorizing the City to submit the application would not incur the obligation. He explained the obligation could only be done through City Council.

Mr. Stevenson stated he was feeling better about this, but was concerned that it did not appear to be a revised Plan, but a new Plan. He stated the Authority had not had any conversation with the

Planning Commission, City Council or anyone else, but the Plan appeared to be different.

Mr. Carson stated they were not asking for an approval of the Plan at this meeting. Mr. Trigger stated this was an informational meeting to begin the process of sharing what they had done, letting the Authority know where they were in the process, letting the Authority know there would be formal submission in a few weeks, and they would be back as many times as necessary to discuss the proposal and whether it made sense, in concert with input from the City's professional advisors. He stated it was a necessary to put in context why they were asking for the grants and loans. He noted the grants were money that did not have to be repaid, which reduced any TIF financing obligation. He explained the loan was a fifteen year loan that had no interest obligation for the first five years, which provided a reduced burden financially that tied back to the tax increment financing burden. He stated because of the time period at the end of the year, the grant and loan application had to be completed by September 15th. He stated it was only because of that time period that the opportunity for additional discussion on the grants and loans was limited. He noted that a request to forward the application was not a commitment, but was facilitating the process. He reiterated REI had made the commitment and no moneys would be drawn on either until the 381 Work Plan was approved.

Mr. Carson stated that REI was clearly under the understanding that no money would be borrowed which leaves the City with any risk, which was subject to the purview of City Council. He noted it was the understanding in the Judgment that said the City of Rochester Hills would facilitate the financing but at no financial risk to the City. He indicated that was made crystal clear at the work session and when they met with the attorneys for the City. He stated that the documentation regarding the collateralized guarantee was designed for that purpose. He stated the Authority would be authorizing the City to facilitate the availability for that type of money, i.e., a grant that is not paid back, and a loan with little or no interest to reduce the cost of the project. He pointed out it was up to City Council to vote whether the money is actually borrowed and received and under what terms.

Mr. Stevenson noted the Authority had to make a decision at this meeting, and the time frame with the State would expire in two and a half weeks, and asked when that opportunity first came up, and why the Authority was just hearing about it.

Mr. Carson stated the process came about as it approached the fiscal year end and the money became available.

Mr. Trigger explained there had been a series of discussions about the financing formula for the site. He stated as they went back and reevaluated the overall remedial approach to the site, and how they would put the pieces together, they had continued discussions about the overall financing structure. He stated there had been a series of discussions before City Council with the Oakland County Drain Commissioner's Office. As it became clearer how the financing structure would come together, they approached the State with respect to the formal application process. REI believed that if they filed the applications before the end of the fiscal year, that would be sufficient. They were informed by the State that in order to enter it on their books as a Fiscal Year 2006 obligation, the agreements had to be executed by September 15th. He noted that REI did not anticipate that and were seeking the indulgence of the City Staff and

the Authority to move that application process forward so they could meet the September 15th deadline.

Mr. Trigger stated the reason they had made the additional comments at this meeting was because they believed they were asking the City to do something, at no risk to the City, that would make available to this project two sources of funding that are the best two sources of funding that could be applied to this type of a project. He noted it required some indulgence from a scheduling perspective. He stated they had made it very clear through an agreement that they would provide all the necessary guarantees so the City was not at financial risk. He stated they were asking the Authority to do something that did not put the City at any financial risk in order to move the project forward, recognizing the condition that nothing would be drawn on those sources of funds until the 381 Work Plan is approved. He noted this was only because of the juxtaposition of the time period for grant cycles. He stated if they did not ask, we would fail to bring Two Million Dollars to this project, if the agreements were not signed by September 15th.

Mr. Stevenson asked if this matter could be taken to City Council in that time frame. Mr. Delacourt that was a decision for the City Council President to make.

Mr. Trigger stated that whether the City Council acted might depend on what the Authority told them. He stated if the Authority conveyed the position that they did not want the request for grants and loans to move forward that might bring doubt to their minds. He stated they had presented their best case why it was not a financial risk to the City and the Authority was not committing to the 381 Work Plan approval by authorizing the filing of an application. He noted they still had to complete their discussions with City Council and request a formal resolution from City Council to execute the loan agreements. He pointed out the process did not stop here because this was not the last time they would be before the Authority, but was the first public formal request to support the grant and loan application. He commented it was Two Million Dollars out of a Thirty Million Dollar project, and they would have another Two Million Dollar request that would fall in the next fiscal year. He noted that amounted to Four Million Dollars out of Thirty Million Dollars they were seeking in grants and loans, which meant that rather than bond financing for Thirty Million Dollars, they would finance Twenty-six Million, which was very significant.

Mr. Turnbull clarified they were discussing Two Million Dollars in 2006 and Two Million Dollars in 2007. He asked if the Authority did not act to move this forward tonight, whether it was an option for the application to apply for Two Million Dollars in 2007 and Two Million Dollars in 2008.

Mr. Delacourt stated if the Authority moved forward, the request this evening be limited to Fiscal Year 2006 only. He noted that based on the comments from the DEQ and the environmental consultant regarding the grant application, that was also their recommendation. He explained that would be One Million Dollars in grant funds, and One Million Dollars in loan funds, and the applicant would come back with another application in 2007. He did not know if the application would be eligible in 2007 and 2008.

Mr. Carson stated that the concept of dropping 2006 and picking up 2008 would not be applicable to this project because they would go into a different funding source. He explained they would have to have fully funded or committed for the bonds, so therefore, it was available in 2006 and 2007 because the bonding cycle would come up in 2007. If they did not pick up the Two Million Dollars in 2006, as he understood it, they would be dropped out of a grant and loan situation and they would lose the grant and the reduced costs for the loan because they would have to pick up Twenty-eight Million Dollars in the bonding cycle.

Mr. Trigger stated another important aspect was the State's position with respect to the grants and loans was that no work could be done that would otherwise have been paid for from the grants and loans, unless the grant and loan has been issued. If they did not apply or receive funds until the year 2008, and the work was already done, they could not use the money. He noted it was a significant timing issue for them.

Mr. Turnbull noted the Authority was being asked to move this forward to lessen the liability on the TIF, and asked if the Authority could do that without a revised work plan having been submitted. He noted they really did not know what it would entail, as it was going from one million cubic yards of dig and haul to three hundred fifty thousand yards. He understood there was a reduced area, but the whole nature and extent of what the remediation would entail was a concept now.

Mr. Brice stated because of the timing, they had thought of that. He explained the way the guarantee is worded for the Authority's benefit and the City's benefit, was that if the grants and loans are given, noting they are given to the City, so the City originally held those funds, that none of those funds will be transferred to or made available to REI until the MDEQ and the Authority approve the work plan. He agreed the Authority would feel better if they had the plan first, but the money would not be let out until the Authority actually approved the plan.

Mr. Karas asked about the change in the square footage of the development from the first plan to the revised plan. Mr. Carson asked if Mr. Karas was referring to the above ground buildings. Mr. Karas responded that was correct. Mr. Carson stated that had not changed and the potential for the build-out was the same.

Mr. Karas stated Mr. Baron had described a ditch and asked the applicants to discuss that. Mr. Carson stated he thought that the picture of the existing conditions on the site that depicted the bubbling might have been what the resident had referred to. He stated that none of the leachate collection system would be in an open ditch. Mr. Grant stated it was correct that when everything was engineered, it was a completely closed system. The applicants returned to the photograph in the presentation depicting the existing conditions which showed how uncontrolled the site actually is at the present time. He explained because of storm water runoff and because of an inadequate cap, gullies were being carved through the property. He agreed that was not a solution, but was in fact harmful, and was an example of why leachate and contaminated surface water were finding their way beyond the property. Mr. Trigger stated this was a condition they intended to fix. Mr. Carson clarified that assuming the plan is brought forward, the concept was that none of the leachate collection system would be in an open ditch and everything would be enclosed.

Mr. Trigger referred to the remedy described during the presentation regarding the leachate collection system, and pointed out the area that would be excavated and explained the leachate collection system would be installed at the bottom of the excavation to capture all ground water moving in a northeasterly direction, and would be tied in to a collection point and tied in to an existing storm line that was buried below the waste area. Mr. Grant stated that it would then go directly to the sanitary sewer system. Mr. Trigger stated it was discharged to the sanitary sewer system, and when it was bulk headed off, it would prevent any further migration toward the river from that system.

Mr. Trigger stated he had commented during the presentation that the existing storm sewer line was installed by the prior owners of the property, and it was designed to reroute an existing surface drain to permit them to do landfilling activities in that part of the site. He explained that storm line was forty-eight inches in diameter and was designed to go around the site and was an existing condition they would fix.

Chairperson Walterhouse recalled from the initial presentation about the initial plan that there was discussion about an excavation that ran parallel to Hamlin Road, and was fairly significant. Mr. Trigger stated when they described earlier in excess of nine hundred thousand yards, that proposal involved excavating material in the eastern area of the landfill as well as along Hamlin Road. He stated they had omitted that area along Hamlin Road from the excavation plan, and pointed out the area of excavation in the current plan. He noted that reduced the amount of waste that had to be managed, and responded to concerns of the Community.

Mr. Karas added for the applicant's benefit that some of the Authority members had reached the golden age and had contributed to the landfill. He explained when he was at Oakland they used the landfill, and stated he unfortunately approved the tin whistle that has evidently failed. He stated he felt comfortable that the applicant had improved what they started out to do. He hoped the City could take advantage of the financing the applicant discussed without making a definitive commitment, realizing the Authority would not make that final decision. He thought their decision was how they felt about the new remedial plan and system.

Mr. Delacourt clarified the Board was not making a decision on how they felt about the remedial plan because it had not been submitted or reviewed by the City's consultants. He explained the Authority was being asked to authorize the City to submit this grant application to the DEQ, and to allow the application to be submitted in time to hold the applicant's place in line and allow City Council to review and make a decision regarding the security package and the faith and credit of the City. He stated the Authority was being asked to make that authorization subject to conditions that the requirements of the DEQ be addressed and revised documentation submitted to the City by August 23, 2006 to allow the City's consultants and attorneys time to review the application. He stated that would allow the application to be signed on the Authority's behalf and meet the timeline for Fiscal Year 2006.

Mr. Karas clarified they were not making a recommendation, but an authorization. Mr. Delacourt stated the Authority would be authorizing the submittal of the application.

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Chairperson Walterhouse stated he was not surprised the applicant came back with a different plan. He stated he had been involved in development in the Community for twenty years, and a project was a work in progress until it was done. He thought the changes the applicant would propose in the plan were better, because if they were doing less excavation and moving less waste, that was a positive. He was somewhat concerned they were two years into this and they had not seen a revised plan, and they had a request for grants and loans in front of them. He noted there was language in the Consent Judgment where the City or the City Council committed to supporting the project in seeking additional grants or funding or whatever might be needed if the City could provide that assistance to REI. He noted reference had been made to a separate correspondence from REI to the City where a promise was being made that this process would be without financial risk, and that REI guarantees and collateralizes any City-related obligation. He thought it made him feel uncomfortable in that it had to be written in the first place, although that did not mean he did not support what was being requested. He was just not sure the Authority should take the grant application and forward it to the DEQ, but suggested rather the Authority could indicate they agree with what they saw, they were in concurrence with what the applicant was doing, and did want to see the revised plan so it can be forwarded it to the DEQ, but perhaps the Authority's resolution would refer the matter to City Council for their action. He noted City Council was getting the letter from the City Attorney that would guarantee the repayment should REI file bankruptcy or otherwise disappear, and let City Council decide yea or nay to forward it to the DEQ.

Mr. Karas stated he felt comfortable in recommending rather than authorizing the City. He stated he did not feel the Authority could authorize the City Council, but rather could recommend to City Council. He asked if that would satisfy the applicant's ability to move forward.

Mr. Trigger the Chair if he could characterize the proposed draft resolution the Authority had before them. He explained it was their hope there would be an application filed by August 25, 2006, with the recognition that City Council would provide the resolution of support by August 31, 2006. He was concerned if they left the meeting tonight without someone on behalf of the City feeling they can sign the application form, they may not meet the State's requirements. He stated they had tried to explain the context of their presentation and their request, which was the filing of an application, and it was not obligation or commitment other than to take that action. He expressed concern that if the applicant did not leave with a sense that someone on behalf of the City could sign the application by a week from tomorrow, they might lose their place in line. He appreciated, having Board experience himself, that it was important to understand roles and responsibilities, and noted they were trying very carefully not to ask the Authority to go beyond their purview. He stated that would be to say to City Council it was consistent with what they were trying to accomplish if City Council adopts a resolution of full faith and credit. He noted that no one associated with the Authority who would evaluate the adequacy of the financial assurance package, but would be done by people associated with City Council. He thought they had to leave tonight with someone on behalf of the City feeling they had the ability to put their signature on the application by a week from tomorrow.

Mr. Carson stated the Authority was not being asked to make a resolution that would bind the City in any way. The request was to authorize an application to be filed, and the actual loan agreements would require action by the City Council, and no obligation would be incurred by Rochester Hills without further action by City Council.

Mr. Delacourt suggested that the Authority's motion could be worded to read "authorize the Mayor or City Council" to submit the grant application. He noted the draft resolution currently read "the City" and stated he or other Staff would not be signing the application unless directed to by the Mayor or City Council.

Chairperson Walterhouse stated he had intended to ask who would be signing if the motion read "the City". Mr. Delacourt stated he would leave that decision to the Mayor and City Council. Mr. Brice noted it was the decision of the Mayor or City Council, and stated the Authority could use either. He explained that because of the timing issue, it was becoming confusing. He clarified the Authority was being asked to submit the application and put it in line. He stated that all that did was let the application sit there, noting it still had to be approved by the MDEQ. Once it is approved, that was the point that City Council had to be involved to pledge the full faith and credit, and that would only happen based on what the City and the Authority said, with the guarantee that the City did not have any financial liability. He stated the Authority's motion could authorize either the Mayor or City Council to sign the application.

Ms. White stated everyone knew she had some connection to a landfill located behind her residence, and she was very aware of what methane can do. She explained when they moved in their house, they were told it was an old landfill that would not generate anything because everything had seeped out and was gone. She noted that four years later it blew up a house, and could have blown up five houses. She pointed out that as long as there was methane, it had to be vented, it had to be burned off, and it had to be taken care of.

Ms. White stated she had a problem not seeing the work plan, and had a problem with the gas collection system, noting she would like to be more involved with that. She noted that was not the Authority's job at this meeting, but rather the Authority's job was to recommend the applicant can go in the holding pattern, and to get the Mayor and City Council to recommend this, and the Planning Commission and City Council needed to do their homework deeply to protect the residents in that area for fallout of anything that could happen in ten or fifteen or twenty years down the road because of the methane and because of the contaminants in that land.

Ms. White stated she was very, very concerned with the neighbors, with the additional Clinton River problems, and the property as a whole. She stated she had not seen the 381 Work Plan, or seen anything that was going to protect those people from explosions. She noted that Mr. Mathews from the DEQ and she were on a first-name basis as he had worked on their house. She stated her house had not had methane, and a year later it was up 300%. She stated no one have given her a reason why, and she still did not know why that happened. She stated it was a very dangerous situation on that site, and just because it hadn't happened yet, that did not mean that it was not going to happen. She stated they needed to move this along, clean it up the best way they could, but they did not need the liability on the residents or the City.

Ms. White stated she would move the motion in the packet with the correction in the wording to read "authorizes the Mayor or City Council". Mr. Stevenson stated he would second the proposed motion. The question was asked if the sentence should include "to sign and submit". Mr. Brice that "to submit" required the signature, so it was understood in the language.

Chairperson Walterhouse stated that a motion had been made by Ms. White, seconded by Mr. Stevenson, and called for any discussion on the proposed motion on the floor. Upon hearing none, he called for a roll call vote.

MOTION by White, seconded by Stevenson, in the matter of City File No. 03-023, the Madison Park Project (REI Brownstown, LLC, applicant), the Rochester Hills Brownfield Redevelopment Authority **authorizes** the Mayor or the City Council to submit the requested CMI grant and loan application to the Michigan Department of Environmental Quality (DEQ), subject to the following conditions:

Conditions:

1. That all issues and concerns identified in the DEQ Memorandum dated received by the Planning Department August 16, 2006 be addressed by REI, to the City's satisfaction, prior to submitting the grant application to the DEQ.
2. That all issues and concerns identified in the ASTI Environmental Memorandum dated received by the Planning Department August 17, 2006 be addressed by REI, to the City's satisfaction, prior to submitting the grant and loan application to the DEQ.
3. That the City Council resolves to pledge the City's full faith and credit for the amount requested in the application prior to any loan agreements being signed by the City.
4. That REI is responsible to provide the City with a revised grant application addressing all of the issues and concerns identified in both the DEQ Memorandum and the ASTI letter, (except those that require action by the City), by August 23, 2006.
5. That unless otherwise approved by the DEQ, all costs identified in the grant that have been incurred by REI prior to the approval of the application by the DEQ, are not eligible.
6. That the grant and loan application be revised to indicate a request for only the Fiscal Year 2006 amount indicated, \$1,000,000 in grant amount and \$1,000,000 in loan amount.

Roll Call Vote:

Ayes: Karas, Walterhouse, Turnbull, Stevenson, White
Nays: None
Absent: Duistermars, Hardenburg

MOTION CARRIED

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Mr. Trigger indicated it was their goal to have the 381 Work Plan ready for review in approximately two weeks. He stated they would be back before the Authority when directed to do so by Staff. He thanked the Authority for their attention.

8. NEW BUSINESS

8A. Election of Officers

Chairperson Walterhouse stated that the Board had one other item of business before them, which was the election of officers.

Mr. Karas moved that the same officers be nominated. Ms. White seconded that nomination. Chairperson Walterhouse called for any other nominations. Upon hearing none, he closed the floor for nominations and called for a voice vote. The following individuals were unanimously elected:

It was unanimously moved that **Mark Walterhouse** be nominated and appointed as Chairperson; that **Thomas R. Stevenson** be nominated and appointed as Vice Chairperson; that **Kurt Dawson**, City Treasurer (or his designee), be nominated and appointed as Treasurer, and that **Derek Delacourt**, City Planner (or his designee), be nominated and appointed as Secretary of the Rochester Hills Brownfield Redevelopment Authority until the next annual meeting of the Authority.

Ayes: All
Nays: None
Absent: Duistermars, Hardenburg

MOTION CARRIED

9. ANY OTHER BUSINESS

Chairperson Walterhouse called for any other business. No other business was presented.

10. ADJOURNMENT

Chairperson Walterhouse stated that the next regular meeting of the Authority was scheduled for Thursday, September 21, 2006. He then called for a motion to adjourn.

Upon a unanimous **MOTION** being made, Chairperson Walterhouse declared the Regular Meeting adjourned at 9:35 PM.

Mark Walterhouse, Chairperson
City of Rochester Hills

Judy A. Bialk, Recording Secretary

~~Brownfield Redevelopment Authority~~

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