

Final Minutes of March 24, 2011, Republic Township Board Public Hearing and Resolution of: Michigamme River Basin Water Resources Improvement Authority to expand the district for additional funding within the district.

1. Called to order by the Supervisor at 6:00 p.m.
2. The Supervisor explained to the public the purpose of the MRBWRIA and the benefit it brings to Republic. Supervisor introduced the Republic Township Board and 5 MRBWRIA members. Roger Crimmins, John Jilbert, Illeen Todd, Kim Isaacson, Noreen Maki.
3. The Supervisor showed the public the original district and the proposed expansion district.
4. The Supervisor showed the public, pictures of the Dam at different levels. Supervisor stated that the Township's engineering firm has reported that the Dam would not produce enough electricity if a low-head system were constructed and that is why the MRBWRIA board is taking the proposed route of acquiring the Dam. Keith Perry mentioned that Lake Michigamme Property Owners formed an association to maintain lake levels and their dam. The Supervisor stated the Association had a permit and the MRBWRIA Board was taking this route.
5. The Supervisor stated that revenue growth was less than anticipated for the first three years of the MRBWRIA district. The Clerk asked if the MRBWRIA income could fund infrastructure projects within the district. The Supervisor agreed. Clerk informed the audience that this hearing is for the purpose of keeping the tax dollars in Republic for future proposed improvements within the district, not purchasing the dam.
6. Residents had questions of boundaries, the Supervisor stated that the tax revenue within the boundaries stays within the district. Clerk asked if the proposed land development across the river where Mr. Crimmins owns, would need sewer infrastructure? Supervisor responded, No.
7. The Supervisor showed the taxable values of the district and the Clerk asked for values of the monies that actually stay in Republic for the MRBWRIA district apart from General Fund money. Supervisor and Clerk came upon an agreement that \$173,000 times 24 mils is \$ 4152.00 that would hypothetically stay in the MRBWRIA for one year's revenue.
8. The Supervisor stated that the MRBWRIA would present a budget for approval before spending monies. Supervisor stated that if the MRBWRIA bonds; the municipality is not liable for bonds or notes of the MRBWRIA. Regardless of the statement posed by a resident "Wether or not the Township can afford the dam or not?" Supervisor stated that decision lies within the MRBWRIA Board. Supervisor stated that the Republic Township Board approves the budget of the MRBWRIA.
9. The public was concerned with the proposed purchase of the dam. Deb Pellow, Marquette County Commissioner explained to the public that Marquette Co. is allowing Republic to keep tax revenue for infrastructure within our community.

10. Supervisor stated that Public Act 94 of 2008 said that the hearing was for the public interest and that the governing body would decide to approve or nullify the Resolution.
11. Supervisor introduced Bob Bengston. Bob was concerned with the powers of the MRBWRIA board.
12. Clerk stated that the MRBWRIA lifespan was 20 years and when the MRBWRIA expires the tax revenue will go back into the General Fund. A resident made a statement to the effect of using the MBWRIA for sewer and water infrastructure. A resident had concerns of the MRBWRIA purchasing the dam. Clerk instructed him to voice his concerns at the MRBWRIA Board meeting.
13. Supervisor stated that the bond company (Don Kiem) said the MRBWRIA could pay back \$3.5 million dollars. Supervisor stated that UPEA estimated it would cost \$1.5 million dollars to construct a new dam. Clerk disagreed with the Supervisor in relation to the income capability of the MRBWRIA and the ability to repay the bond(s). Joel Youngblood stated that the MRBWRIA Board shouldn't be spending money on property that the Township doesn't own. Clerk stated that until the Township approves the budget of the MRBWRIA that there wouldn't be any more funds spent on anything until MRBWRIA income numbers are proven.
14. A resident asked about the dam improvements and moose rapids boat launch. Illeen Todd a MRBWRIA Board member stated that the Board has not made any decisions on purchasing the dam. Clerk commented since values were unknown that monies should not be spent by MRBWRIA Board using the General Fund. A resident agreed that the Township should not be spending money on property the MRBWRIA doesn't own.
15. A resident asked if the loan defaulted what would happen. Supervisor stated the MRBWRIA has to repay the bond. Supervisor said bonds would not be raised until they were sure the MRBWRIA has the income to repay the bond. A resident asked what happens to the properties. Supervisor stated the properties are then Republic Township's responsibility.
16. Jim Brennan asked the Supervisor to clarify the lifespan of the MRBWRIA. The supervisor stated 20 + 3 years.
17. A resident again asked about bond liability. Supervisor said that the bond would default and the property would be collateralized. Trustee Koski agreed it that would not be in the Township's best interest to make unwise financial decisions.
18. Supervisor stated that the MRBWRIA Board meetings are the second Tuesday of every month. Supervisor stated that after polling residents. The resident's two main concerns were the school and maintaining the water level in the basin. A resident commented on "if this hearing isn't about the dam why are you proposing to purchase it?"

19. Supervisor read his drafted copy of the resolution. Clerk wanted the wording changed to remove purchasing the dam and to state capital improvements. Supervisor said the original resolution was published. Supervisor stated he read the wrong resolution. Clerk stated that the budget has not been approved for the MRBWRIA. Deb Pellow stated that the resolution should be the same objective as the original resolution. Which states "Whereas, The Township of Republic water resources depend on the continued maintenance of a flowage spillway or dam, and" Supervisor wanted to add water structure. Deb Pellow said to stay the same as the first resolution. Trustee Feldhusen made the motion to approve the resolution, supported by the Clerk.

Roll Call Vote:

Steve Koski, Trustee - Aye
Faye Mattila, Treasurer - Aye
Gary Johnson, Supervisor - Aye
Paula Stone, Clerk - Aye
Tom Feldhusen, Trustee - Aye

Motion approved.
Meeting adjourned 7:18 p.m.