

CHARTER TOWNSHIP OF WHITE LAKE
Approved Minutes of the Special Board of Trustees Meeting
December 2, 2021

Supervisor Kowall called the meeting to order at 5:01 p.m. He then led the Pledge of Allegiance.

Clerk Noble called the roll:

Present: Rik Kowall, Supervisor
Anthony L. Noble, Clerk
Mike Roman, Treasurer
Scott Ruggles, Trustee
Liz Smith, Trustee
Andrea Voorheis, Trustee
Michael Powell, Trustee

Also Present: Daniel T. Keller, Police Chief
Sean O'Neil, Planning Director
Lisa Hamameh, Township Attorney
Jennifer Edens, Recording Secretary

AGENDA

It was MOVED by Clerk Noble, SUPPORTED Treasurer Roman to approve the Agenda. The motion PASSED by voice vote (7 yes votes).

PUBLIC COMMENT

No public comment.

NEW BUSINESS

A. CIVIC CENTER DISTRICT DISCUSSION

John McGraw of River Caddis Development introduced himself, his father Kevin, and his brother Jake who are also present tonight. He discussed the agenda that was shared with the Board prior to tonight's meeting.

He began by reminding that River Caddis received the award to proceed as master developer of the civic center and public safety building and that an agreement was drafted between River Caddis and the Township. Then a larger team was put together of delivery partners and consultants to form the next few stages.

River Caddis then spent the next three months with the municipal finance team or restructuring team to figure out how the plan would be financed and to provide different options to the Township. They presented the Township with three options: 1) the municipal route; 2)

private/public partnership; or 3) a two-part private partnership. He noted that each plan was carefully put together and identified how much it would be and how much it was going to cost. It was ultimately referred to be a White Lake Township funded project which seemed to be the best course of action in terms of comfort level and costs to fit the mold. From there the amendment was drafted to get a definitive agreement and for the next steps.

He informed that there are reasons why they drafted an amendment and not a development agreement. He noted that a good agreement is in place to protect both sides and that there is a lot of work to do in providing concept to the Township. He indicated the amendment is to show where things are going to be, how it is programmed and to ensure that the money is there all within the legal limit of time. They are putting together a host of different groups and will present the Township with the team that provides the best cost, reputation, and deliverable product to provide this asset for the Township. He declared this will occur within the next forty-five days. He is also hopeful to produce a computer concept site plan within that timeframe as well.

Next, they will determine the organizational goals and objectives including key criteria and prioritization issues. They will also determine the anticipated space needed for the facilities of the township hall, police station, and fire station and prepare a conceptual layout for the township facilities and remaining acreage.

He noted that on the front end they provided a site plan without a lot of knowledge and now within the forty-five days they will be able to provide the programming for the space, key for the space, financing for the campus, a project schedule, and a full team with development terms. All of which will be assembled together to develop a definitive agreement. The definitive agreement will spell out the next steps in this process.

Supervisor Kowall shared that the agreement itself has been reviewed by John and Ernie and that multiple conversations have been had regarding the same and that the nuts and bolts on the business end have their approval. He believes at this point there needs to be conversation regarding Exhibit A, which contains definitions of the steps. He noted that some of those items will happen in a sequential order and some of them will intertwine.

Treasurer Roman indicated that in order to get everything done in Exhibit A, there will need to be a lot of talking and working with the Township. He noted that they need to quarterback it and come to the Township with what is needed to get these items done. To which Mr. McGraw indicated absolutely.

Trustee Voorheis noted that her biggest concern is the financing. She understands that the Township has the funds with the bonds, but her biggest concern is how it will be financed. Supervisor Kowall indicated that the Township has gone through the initiative to have the authority to sell up to \$29 million in bonds, plus what reserves it has to go forward. He noted that this is not to say the Township necessarily has to sell the bonds, but it has the authority to do

so. He clarified that this is a different subject matter that does not have anything to do with this agreement.

Trustee Voorheis further apologized to Mr. McGraw for not being able to meet in October.

Trustee Ruggles asked if the Board will see River Caddis's idea for construction of the building in the conceptual layout.

Mr. McGraw indicated it will start off as only a site plan and that they will work through it to make sure River Caddis and the Township have the same idea. Then at some point, the architecture will join in.

Trustee Smith noted that she had an opportunity to speak with Director O'Neil and River Caddis and that she doesn't have any questions at this time. She is glad to hear about the conceptual design as that is one thing she would have asked about moving forward.

Clerk Noble noted this partnership is a community partnership and that it is very important to keep the residents aware every step of the way. He asked Mr. McGraw to expand on this topic and the efforts that will be made.

Mr. McGraw indicated that they have not solidified their plan on messaging yet, but that multiple plans are in place and that they will follow up with every step. He shared that they believe transparency is critical and noted that it is a public project and an asset that will have value to the public. He further stated different ways of communicating could include press releases and creating a specific website to provide updates.

Trustee Powell has a great deal of faith in the partnership and process. He shared that his overwhelming goal is that River Caddis would cause the township hall, community building and public safety building to be built for zero dollars out of the Townships pocket. If River Caddis comes back and says that it can't be done for \$0, but all the items taken into account, this is what we can build it for, allows the Township to evaluate the cost of building the buildings.

Trustee Powell continued that while Mr. McGraw stated that things were provided in the first three months, when actually it was more like five or six months since the adoption of the original agreement. The original agreement and the scope of work that was to be provided was developing proposals, proposed operating and capital structures, financing, timelines, and required economic commitments and feasibility. All of that was to be done in the first six months per the original agreement. He continued that per that original agreement, the Township was paying River Caddis as its partner, \$15,000 a month which was supposed to be for the performance of the scope of work he just mentioned and for expenses that may be incurred by the consultant that may be performing that scope of work. He noted that their work prompted the

Township to make a decision as to how to finance this development. He indicated that the Township still doesn't know how much it is going to cost and that it is looking for River Caddis to determine this and meet that objective.

In the next 45 days there is a scope of work in this modified agreement and Trustee Powell would like to nail down what the Township might expect. He noted the Township will still be providing the \$15,000 a month and he questions what that will include. He will expect that there is more presented to help him make his decisions in the next 45 days.

Supervisor Kowall interjected that Exhibit A indicates what they are proposing.

Trustee Powell does not believe they provided the scope of work in the original agreement and he wants it noted that the Township is going to be a bit more expecting in the second agreement.

Supervisor Kowall agrees with Trustee Powell but notes that there was a considerable amount of discovery that had to be done. He opined that it is important to make sure the Township has an understanding of what River Caddis is proposing and when it can be delivered. He further declared that the Township would really like to have the deliverables within the forty-five-day period. He noted they will have unprecedented access, cooperation from the Township, Planning Department, any other department necessary, and the Board. He knows the Board wants to move forward.

For the benefit of the public, Supervisor Kowall noted that the Township has a rough idea of what this will cost, but not an exact cost. This process will do just that and zero in the cost, how the land will be used, and how it will relate into the complex in its entirety. He opined that there are many pieces to this puzzle and that the Board wants each one of them to compliment the next one. He furthered that this will be a collaboration of all those pieces coming together. It will provide an understanding of what this is going to be, the scope, and the cost. The Board will then decide how to move forward and decide how much to borrow. He noted the township offices are more than happy to meet with anyone who would like to discuss this. He shared that this is something he has strived for since 1976 in observing the Township grow and develop and since he became supervisor.

Trustee Ruggles asked if the forty-five days would start tomorrow and noted that it seems ambitious with the holidays.

Clerk Noble noted it is a total of 22,045 days. This is a very aggressive timeline, and it is his thought that they are not paying anymore after the forty-five days. He believes they will achieve the Forty-five days.

Mr. McGraw noted it is an incentive for everyone to get this done as soon as possible. He shared that the holidays are coming and that it is a tough time, but they are taking an ambitious path and believe they can get it done within forty-five days.

Treasurer Roman indicated that things happen and that the forty-five days could run into sixty days. However, the point is they are still locked in to get the work done for no more than \$22,500, which Mr. McGraw confirmed.

Trustee Powell is looking for River Caddis to be an aggressive partner in this since the Township is not an expert in developing and they are. As part of the deliverables, he would really like in Exhibit A that there be a clear distinction between the Township hiring River Caddis to build two buildings and what advantages there are to hiring River Caddis to develop the downtown, as they are two distinct operations. He believes the deliverables will help him understand the advantage of being a partner with River Caddis versus hiring River Caddis to be a contractor to build two buildings.

Mr. McGraw clarified that Trustee Powell is asking for a clear distinction as to why the Township brought on River Caddis to this project, given the public and private side of this.

Trustee Powell noted the Township can go out and hire an architect and a contractor to build two buildings by itself. However, the Township doesn't believe that is the right way to it. It believes River Caddis has an opportunity to supplement the two buildings with the benefit of developing the downtown area. There is a profit to be made on the private sector side that might not be seen on the public side. He sees that as a partnership and a profit that River Caddis will see rather than just hiring them to build two buildings. He is looking for River Caddis to say we can build the two building at a specific price, but because we are partnered with the Township and we are getting this as well, we are reducing that cost by this much.

Supervisor Kowall interjected that what Trustee Powell is speaking of is more of an operational agreement. He stated for the benefit of the public that it is this Board's intention to utilize the pieces on the chessboard. He shared that the Township was able to sell other parcels of properties and move things around to purchase the bulk of the property for the Township with the minimum amount of out-of-pocket taxpayer money. He noted it was \$400,000 to buy the entire twenty-some acre parcel. He noted that other properties were sold to bring in funds. In keeping with that the Township is looking at other property it has. These are potential chess pieces to offset cost whether it goes to an agreement with River Caddis or another company. He compared that this process is like layers on a cake and each layer is a definitive scope of what is trying to be accomplished. He opined that River Caddis has the area of expertise and he is impressed with other projects they have worked on. He indicated that the Township needs River Caddis to bring that professionalism and that result to White Lake Township. He further indicated that the timeline is extremely important to this Board and that the Board will need bi-

weekly updates on this. He declared that it must be completely understood that communication is paramount, and deliverables will be expected.

Treasurer Roman noted that a big challenge the Board will face in forty-five days is which direction to go in. The Township has decided on how it wants to finance this and knows that it wants two buildings. The Township hasn't received anything from River Caddis indicating a proposal and the longer that takes the more difficult the Board's decision will be in forty-five days. He opined that at that point in time if they don't receive anything from River Caddis the Township might just want to bid out the construction of the two buildings.

Trustee Smith, directed to Trustee Powell following his comments, questioned if it would be advantageous to have those two pieces broken up before the forty-five days. She agrees with Trustee Powell and Treasurer Roman and knows that this Board is looking for information sooner rather than later. She noted that some Board members are disappointed that it was not received within the three months that turned into five. She proposed it be tweaked a little bit to find a more common ground of what is being looked for in that forty-five-day period. She is confident in herself and fellow Board members that the plan and goal are same and noted they will be very methodical in how that goal is reached.

Clerk Noble pointed out in Section 6, there are instrumental products. He opined that the Township is not throwing away taxpayers' money and that it is an aggressive timeline. He declared that everything would run through a checks and balance. He shared that recently received funds are from the federal government and that the Township grabbed as much as it could at \$1.6 million, which will be utilized for the civic center and development around it.

Mr. McGraw reminded that the money being paid to River Caddis monthly is used as an investment for them to know that there is a buy-in from the Township and so they know that the Township doesn't just walk away. He continued that the money, in the next month and a half, is not paying River Caddis as they hire certain people to do certain work. All the money is being used to pay a pursuit cost. River Caddis is investing in understanding how it develops these buildings. He opined that they are excited and ready to go.

Trustee Powell pointed out that the deliverables and updates over the next forty-five days will help the Board greatly understand River Caddis' commitment and what kind of partner they are going to be. It is his hope that in forty-five days the Board has their minds made up. He reminded that the Board had no way of knowing what the financial options were until River Caddis presented them to the Board. He fully expects to be ready to hit the pavement running.

Mr. McGraw asked how the Board would like to receive the biweekly updates. To which, Supervisor Kowall indicated that everything will go through Director O'Neil.

Trustee Powell thanked counsel as he is impressed with the agreement. He appreciates it and admits his onset opinion was that River Caddis would be hiring consultants to help them out, but the agreement is very clear that the consultants are to help the Township out and in fact the Township gets a say as to whether or not they even like the consultants. He continued that he had concerns about ownership, but that it is covered in the agreement.

Supervisor Kowall noted the Township was referred to many communities to look at what has been done. However, the Township is looking for a partner that would look at this as a clean slate and guide the Township. It is extremely important that every part of this ties in.

Howard Cohen of Chesapeake Bay noted the goal has not changed. They want the buildings to come in at no costs and believes that there are just different interpretations. He indicated they would like to internally finance the buildings. He shared that they are looking ahead trying to hire someone to come in for the special packing district because that is where the revenue is.

Mr. Cohen furthered that everything will essentially be reimbursed and that it is just a matter of which pocket it comes out of. He opined that this is a tedious process that had delays in first six months because they had to make decisions and information was necessary to make those decisions. In response to Trustee Powell statement regarding what the benefit is, he reminded how long it took the Township to hire Chesapeake Bay. He stated this is the problem when you go through normal procurement process. He opined that this needs to be sped up. There has been tremendous work behind the scenes daily process, tons of communications between those involved. It took a lot to get to this point and the next step is critical. He is hopeful that they will be able to move forward with a development agreement.

Supervisor Kowall noted that the Township formed a Civic Center Development Group that consisted of a diverse group of members and that group painstakingly went over the interview process of multiple individuals and organizations and their expertise hooked the Township up with River Caddis. Howard Cohen came in and it was an easy sell as he riveted the group with his knowledge and expertise.

Trustee Powell doesn't think the Township can sit back and let River Caddis do everything. There are decisions that the Township needs to follow through on. He opined that the Township needs to get started on working with its County Commissioners.

Clerk Noble thanked Treasurer Roman for taking initiative and for looking at bonds. He noted that the Township is at a 2.5% bonding for the project. It is a service debt, and no millage is needed. He reminded that just because they are bonding it does not mean the Township will need it all. It is imperative that this keeps moving forward as the rates will go up. He shared that the Township building is eight-six years old and has been outgrown. He opined that six or seven months from now it will be a lot more expensive.

**B. CONSIDERATION OF FIRST AMENDMENT TO THE RIVER CADDIS
PROFESSIONAL SERVICES AGREEMENT**

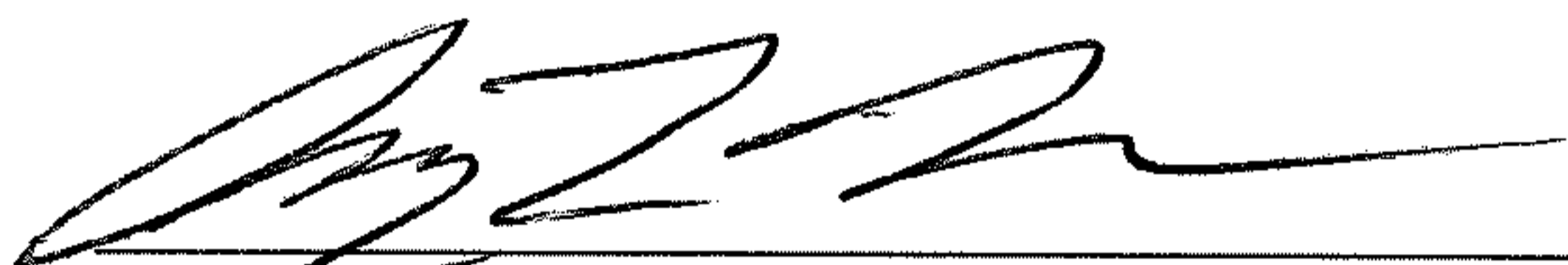
It was MOVED by Trustee Powell, SUPPORTED by, Clerk Noble moved to approve the first amendment of the Professional Service Agreement as presented, and allow the Supervisor to execute the appropriate documents. The motion PASSED by roll call vote (Voorheis/yes, Smith/yes, Ruggles/yes, Powell/yes, Kowall/yes, Noble/yes, Roman/yes).

ADJOURNMENT

It was MOVED by Supervisor Kowall, SUPPORTED by, Treasurer Roman to adjourn. The motion PASSED by voice vote (7 yes votes).

Meeting adjourned at 6:03 p.m.

I, Anthony L. Noble, the duly elected and qualified Clerk of the Charter Township of White Lake, County of Oakland, State of Michigan, hereby certify that the foregoing is a true copy of the December 2, 2021, special board meeting minutes.



Anthony L. Noble, Clerk
White Lake Township
Oakland County, Michigan