

## 2023 STATE OF THE TOWNSHIP

Good evening, and welcome to the eighth annual state of the township address. Thank you to the board for being here; thank you, planning commission, for joining us this evening. Thanks, as well, to the city officials that have come out tonight, and, most importantly, thanks to the residents of this community for being here and allowing me to be your supervisor. It has been a wonderful experience to serve you.

Last year in the state of the township address I shared a lot about townships and the role we as a township share in the political system. I talked about how townships are important, especially with more than half the people in Michigan living in a township, as well as how townships differ from cities and villages.

This year I hope to take a look back over the last ten years and talk a little about what we have accomplished working together. It is hard to believe that I have been in office for over ten years. The older you get the faster time seems to go. When I first came into office, I had a few simple goals: to have a better working relationship with the city, to pay off the current debt, and to improve on the good that my predecessor had started. Wow, as I look back, a lot more has been accomplished. The accomplishments I look at are things that no one person could have accomplished. It has taken a team. I have had the privilege of working with 14 different elected individuals over these ten years. Yet it takes a lot more than a board to accomplish the improvements that I see when looking back. It takes a good staff in the office and on the grounds. It takes a good fire department to keep our township safe. It takes a lot of volunteers serving on committees to give of their time and advice. It takes people willing to serve on a board of review or planning commission. It takes a lot of election workers to make sure we have fair elections, and it takes board members that put the community needs before their own desires. I am thankful for the privilege of serving with each one involved. Working together is what made this township what it is.

As I think back over the last ten years, these are a few of the highlights that we have accomplished. Number one would have to be the roads, and I will talk more about them later. Number two would be our cash flow. When I came into office, we were over a million dollars in debt, and we were paying a lot of interest. That has been completely paid off, and now we have a very healthy bank account that is allowing us to do a lot of improvements.

Number three would need to be the improvements to our sewer system. The township owns and operates over four miles of sewer lines as well ten lift stations. About five years ago the City of Big Rapids, Green Township, and Big Rapids Township updated the sewer agreement. The previous agreement had a lot of restrictions on the amount of sewage from each area that could be added. Those restrictions were removed allowing use on more of a first-come basis. A new user charge system was put in place for calculating the cost for each municipality. The main part of this system is the sewer plant. There has to be a way to convey the sewage from the townships to the city which is a series of pipes and pumps. This entire system must be maintained and operating every day with the assurance that it will continue to operate as long as there is sewage. For this reason, there is a lot of duplication to ensure continued operation. Each of our ten lift stations has two pumps in it. If one is down the other should be able to keep up. It is the same at the sewer plant. A big concern for all of us now is the supply chain issue. If a pump goes down it may be months before another can be received. Each municipality is responsible for their own collection system within their boundaries. The cost to operate the plant as

well as the lines to transport sewage from the townships is split by the actual amount of usage by each municipality, with the city owning and responsible for the operation. A very detailed spreadsheet was put into place and continues to be used each year. Thanks to former Green Township supervisor, the late Bob Baldwin, and Bruce Everin for putting this spreadsheet together. There are five shared expense categories: the cost of operating and maintaining the plant, the cost of the operating and maintaining the collection system in the city that transfers the product from the township borders to the sewer plant, bond debt on these items, replacement costs, and a portion of the city administrative cost. The revised agreement cut back the administrative cost so that the sewer department now only shares 12% of the actual wages of the city manager, treasurer, attorney, and public works director. This is a very fair agreement, and the city does a pretty good job of keeping the cost down.

What has Big Rapids Township done to improve their system? One of the biggest costs for the township is sewage that runs through the system that is not charged to our customers. This is infiltration and inflow or simply called I & I, so if the amount of I & I can be reduced, money will be saved. The lines on Northland Drive north of the city are concrete lines that had many cracks and tree roots growing in them. Most of this area was relined with a hard plastic material inside the pipes to hopefully give it another 50 years of operation without problems. The lift station at the fairgrounds was also very old and very inefficient. The township had this completely rebuilt. There are still some old lines and manholes on Sheridan and West Avenue that need to be redone; hopefully this year contractors will be available and this work can be bid out. The last two years have been very difficult to get work done. This needs to be done this year. About four years ago a smoke test was done on a big portion of the township's older system. This discovered many minor leaks that were taken care of to help reduce the I & I. There are still some problems with major storms. One area that still is a problem is at the industrial park. The manholes where the smoke test showed leakage were fixed, but we still have an I & I problem up there. Also, at that time our engineers located most of the township lines and computerized the drawings so we have a better knowledge of our system. This was accomplished by use of the SAW grant. Another improvement was to repair the pressurized system at The Hills of Mitchell Creek. This subdivision was put in with all the infrastructure and then went bankrupt. The work up there was poor at best. This is the only pressurized system we have, and it was not working. We hired a company to assess the problems and found some of the lines uncapped. Others had been cut through when other utilities were installed. We had the repairs done and now have a workable system for the future.

Other improvements to the system were to add mission controls to each lift station and end point readers to each user. Both of these help with reading the meters and knowing what the customers use. The customer is charged on how much water comes into their place, either from a well or municipal water system, and we assume that it all goes back out through the sewer. Before we had the end point readers that can be read over the cloud, the city would have someone go out and read each meter every month and then bill the township for the service. Now the city, as well as the township or customer, can tell at any time what the usage was.

The mission controls are on the lift stations and also allow the operators to see what is going on at any time while giving a daily report as to the operation. This has cut the cost on maintenance. By knowing what the problem is, an operator does not have to make a special trip up if it is something that can be fixed online or can wait until the next routine visit. Something else that has cut the number of visits is having generators installed at each lift station. Of the ten lift stations, eight have generator backup. Of

the two that don't have them, the usage has been very small, and the portable generator we have has not had to be used in over three years, but, if needed, it can be moved around to cover them.

The fourth area that we have seen a vast improvement in over the past ten years is in the overall construction in the township. Aldi, Belle Tire, Culver's, the Hampton Inn, and several different self-storage units have added commercial properties. All the new cottages on Bulldog Lane as well as the new buildings at Northland Flats have added to the student housing market. The Brook and Big Rapids Fields were added besides many new homes in the township. Ten years ago, there was only one home in The Hills of Mitchell Creek. Now there are ten with more ready to start. We also have two medical facilities underway at this time. The township SEV ten years ago was 145 million; now it is 223 million - up 54%. We have a very capable assessor in David Kirwin and an excellent Board of Review that make sure we are charging the correct amount of taxes; thanks to each of them.

The fifth area that I would like to mention is the improvements to the township facilities. This includes the addition to the fire hall, the purchase of the building that is now being remodeled for a new hall, the lease of property for the cell tower, the remodeling of the bathrooms at Highbanks Park, and other improvements that are currently underway.

What is underway at this time? I mentioned the remodeling of the hall building. A bid has been accepted to do work on the cemetery entrance in the spring. This fall intensive work has been started to improve Highbanks Park. New fencing was put around the ball diamonds and new dugouts installed. A very modern, up-to-date, and safe playground as well as many other improvements are in the works for next year. Thanks to Penny Currie, Chris Teceno, and the many volunteers that have worked on the park this year. This will now be a destination to visit, not just a place to get out of the river. Grants have also been applied for that will help improve the access to the river with the hopes of a new ADA kayak launch and concrete paths from the parking lot. If we receive this grant, someone will be able to enter the river at the city launch and end up getting out at the township site. I know that a lot of municipalities have applied for grant money this year, 461 applications were received, but we should have just as good of a chance as anyone else of receiving funds. If you do not apply, you are sure you will receive nothing. So, thanks to Penny Currie and Hannah Saez for all the work in applying for these grants.

Earlier I mentioned roads. Roads are very important if we want the community to continue to grow. Good roads don't just make it a lot easier to drive on, they make it a lot safer to drive on. They are also a lot easier on our vehicles. But more important is the fact that good roads save us tax dollars in the long run. The schools run buses over the roads at least two times a day for 180 days a year. Bad roads are very bad on school buses. For fire trucks and emergency vehicles traveling on bad roads, it is not only hard on the vehicles but slows them down when reporting to a life-threatening situation. People moving to an area look at well-maintained roads as a big advantage.

Roads are rated on a passer rating system. This system allows counties all over the state to compare paved roads. They are rated on a one to ten scale with ten being the best. Each year the county road commission as well as other organizations drive the roads and give them a rating. The key to roads is it is a lot cheaper to keep them up rather than have to redo them. Roads with a passer rating of 1 or 2 usually have to be completely redone with a new base. Roads with a 9 or 10 rating do not need any maintenance. As a township, once roads are done, we try to maintain them.

The township itself does not own roads; they are all owned by the county road commission. The roads are split up as state routes, primary, and local roads. For a road to be a primary road the road commission must request a designation from the state. This must be a road that connects major arteries through different counties. With a road being a primary road, the county road commission may be able to get additional funding from the state to help on maintaining them. Even though the road commission is responsible for all roads, usually the best they can do on local roads is fill the pot holes, if that. A couple years ago the county road commission turned some local paved roads back to gravel so they could be maintained. Thankfully, these were not in our township.

Over the past ten years as a township, we have gone from 11% of the paved local roads being in good shape, to over 66% in good shape. This past year the county road commission did not put any money into primary roads but split 1 million dollars between the 16 townships for local road maintenance as a match. This was also matched by the county commission giving each township a total of \$125,000 that could be used for a match in 2022 or 2023. In 2022 Big Rapids Township spent the \$125,000 match, \$235,000 from the road millage, plus over \$380,000 from the general fund for road improvements. The goal is to get the majority of the local paved roads in good condition and then start paving some of the gravel roads.

The township has had a lot of road improvements over the last ten years, with this past year being one of the biggest. Let's keep the momentum going.

A year ago, in the state of the township address, I told you we had someone interested in the industrial park. This has been an up and down rollercoaster ride for the past year. Today the township has one of the biggest opportunities that any previous board has had, or probably will have in the next several decades. But, with big opportunities comes big responsibilities. We now have an international company looking to locate in our area. This company would add over 2000 well paying, clean jobs. For years the Big Rapids area has been one of the poorer areas of the state. The main thing we export is talent. Many of our children and grandchildren have to leave the area to find jobs. Many students that come to Ferris, as I did over 54 ago, would like to stay in the area, but few good jobs are available. This company would create jobs that people could support a family on. When a company like this comes to an area, they create other jobs including food service workers, teachers and school workers, and employees at many retail establishments. I have seen reports that say for every factory job created three or four more will be generated. This will make it easier for other businesses to locate in the area. They will need transportation companies that will need drivers, maintenance people and, yes, even gas stations, that will in turn have to hire more people. The momentum keeps going; who knows we may even get an Olive Garden! To quote Dr. Bill Pink, "This is an opportunity that most communities would give anything to have."

Many of these employees will commute from nearby cities and rural areas, some may move here, but most will end up commuting here and not away from here. While here a lot of the employees will be shopping. This will mean a lot for our local economy. What an opportunity this is for businesses that have been struggling for years to just survive. What a difference this will make for our schools. This will bring some new students, but with businesses locating in the area it will help the school's tax base.

Even though the main factory would be tax exempt from most taxes, it still would have to pay school bond and sinking funds. By paying off the bonds sooner, it will save taxpayers money by not having this bond indebtedment. For fire protection the company will have to have some type of payment in lieu of

taxes. This will not only cover the extra cost associated with the company, but it will also give everyone better fire coverage and emergency services.

One question is “Will this cause my taxes to go up?” Maybe, if the value of your property goes up because people are paying more to buy homes in the area, your property value would increase and then your taxes could go up, but never more than 5% in any one year. This could happen because we have been in a very low area for housing values. This is a good thing since your house will be worth more, and you didn’t have to spend money.

I know that many of you have questioned if there will be environmental issues. I have talked to the Holland city manager where LG battery production is located, and they are excited to have LG double in size. They have had no environmental concerns. For me, I trust the systems we have in place. Permits must first be obtained from the EPA and EGLE. These are not easy to get and especially in Michigan. The township planning commission will have to approve any storage of materials that would be outdoors that could contaminate the soil. The city engineers are required to do a thorough analysis of what the company will be discharging into the sewer. So, I feel we have adequate protections in place.

For Ferris State University, this company will help them implement new programs related to the EV vehicles of the future as well as programs relating to wind and solar storage. Ferris has always been a forerunner in the technical areas. Ferris is probably the biggest draw in bringing Gotion to the Big Rapids area.

For Big Rapids Township this will be a chance to sell the land that has been on the market for over 20 years without a sale in the last 10 years. This will mean a sale at market value, and even the chance to sell the water plant that has been costing the taxpayers over \$20,000 a year. A big concern now is how much wetlands are on the property. When this property was developed there were a few small areas deemed wet lands. Over the years the number of wetlands has increased considerably, decreasing the value of the property. If the Michigan Department of Environment Great Lakes and Energy, known as EGLE, does not allow this company to relocate some of the wetlands in both townships, the company will have to look elsewhere.

This will change this community, and that may be a concern for some, but, if we don’t advance, we will be going backward. What if our forefathers back in 1884 said no to Woodbridge Ferris when he wanted to bring an industrial school to Big Rapids? What would this town be like? Like it or not, I think we will be moving to electric vehicles in the future, probably not as fast as some predict, but I think we will. I often wonder what people thought when Henry Ford wanted to mass produce an automobile. I am sure there was a lot of skeptical people back then. We must move forward; let’s be part of it. This will not happen overnight; it will be a gradual change that will take at least ten years and maybe even more.

Personally, I do not agree with having to give big international companies all the tax incentives. But this is the way it is done. If Michigan wants to continue to be known as the automobile capital, it has to play the game. If Michigan is going to give taxpayers’ money away, I want our share to come to the Big Rapids area and not Detroit or Lansing as has been done for many years. We deserve our share now and even more because we have paid in for many years without a return. The positive side to this give-away is that to receive the money the company must perform. They must first invest their own money, and, as they move forward, they will be reimbursed.

I want to say thank you to the board for all your research over the past few months. We need to know all the facts. Thanks, Carman Bean, and others who have spent hours researching this project. We still don't have answers to all questions, and we never may, but now is the time to move ahead. Let's get behind this company and welcome them to a great community. And yes, let's have products that are made in America, made in Big Rapids, Michigan. We should not be asking the question "Why would Gotion pick Big Rapids?" but rather "Why would they not pick Big Rapids?"

We live in one of the finest areas of the world, and there is not a better place that I would want to be. So, I ask you to be part of the solution and not part of the problem. By working together with the county, the city, and Green Township, we need to welcome this opportunity.

Thank you so much for allowing me to serve as supervisor of this great township. Thank you for being here, and may God bless each of you.