

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF TRUSTEES
OF THE MONROE COUNTY COMMUNITY COLLEGE DISTRICT

Monroe County Board of Commissioners Chambers
Monroe County Courthouse, 125 East Second St., Monroe, MI
7:30 p.m., December 4, 2018

Members Present: Lynette M. Dowler, Edward R. Feldman, Steven Hill, Aaron N. Mason

Excused: William T. Bruck, Mary Kay Thayer

Also Present: Laura Manley, Kojo Quartey, Suzanne Wetzel (recording secretary)

1. The Monroe County Board of Commissioners Chairman J. Henry Lievens called the meeting to order at 7:30 p.m. The meeting was hosted by the County of Monroe in conjunction with the City of Monroe and the County taxing jurisdictions for a presentation and update on DTE Energy's property tax appeal on the following properties located within Monroe County: Monroe Power Plant and Fermi II Nuclear Power Plant.
2. Monroe Mayor Robert Clark and Frenchtown Township Supervisor Jim McDevitt welcomed members of the various boards, commissions, councils, elected officials, and community members in attendance.
3. Monroe County Administrator/Chief Financial Officer Michael Bosanac reviewed the meeting outline which included an update of actions to date, where do we stand today, what is next, review of financial impact, open idea exchange, and public comment.

The purpose of the meeting was to share information with the governing boards and community to form the basis and support of future decisions/actions.

4. Update of Actions to Date:
Mr. Bosanac outlined the actions to date including the formation of a Leadership Team to help guide direction and response, the vetting and selection of the law firm to represent the City (Foster Swift Collins), and the Michigan Department of Treasury's (through the Attorney General's Office) Motion to Intervene in the cases.

Monroe City Manager Vince Pastue reported on the City's effort to exchange/dialogue with DTE including a summary of the City Assessor's efforts. He reported that the City of Monroe provided its full updated valuation of the Monroe Plant to DTE on November 1, 2017, and that DTE has not yet provided its valuation and basis in like format to the City.

Additional information was shared regarding Frenchtown Township's effort to exchange/dialogue with DTE. Frenchtown Township is working with consultants to provide their valuation of the Fermi II plant and has not received information regarding the valuation from DTE.

5. Where do we stand today:
Mr. Pastue reported that the parties have made little or no progress to resolve the matter. He characterized the parties as being diametrically opposed in each of their positions.

MCCC President Kojo Quartey reported that the taxing jurisdictions are interested in resolving the issue prior to the Michigan Tax Tribunal litigation. Local officials sent a letter on November 26 to Jerry Norcia, DTE president and COO, requesting real dialogue to work toward a framework for resolution. He explained that public organizations are reserving funds in their budgets for potential repayment to DTE of taxes collected plus interest retroactive to the MTT filing date (2018 tax year).

MCISD Superintendent Steven McNew explained the importance of preparing the most qualified defense of the plants' values to protect the funding needed to serve the needs of the community. He offered examples of the impact of a reduction in taxable value on the educational services provided throughout Monroe County.

6. What is Next?
Mr. Pastue and Dr. McNew discussed the cost of the legal defense and the need for an Intergovernmental Cost-Sharing Agreement. They presented two funding scenarios: one

including State support and one without State financial support. At this time, the estimated defense cost is \$1 million spread over three years. Mr. Pastue stated that the City will be preparing the Intergovernmental Agreement and that it will be forwarded to the taxing units for their consideration by early January 2019.

7. Review of Financial Impact:

Information was presented on the financial impact by taxing authority should DTE be successful in their request. Mr. Bosonic reported that the total Monroe Power Plant reduction would be \$15,667,148 and the total Fermi II Nuclear Power Plant reduction would be \$11,648,551. The total impact of DTE's request for tax adjustment would be \$27,315,699.

8. Open Idea Exchange:

Questions were answered to clarify information presented.

9. Public Comment:

Audience members shared thoughts and concerns regarding the taxable value appeal.

10. Adjournment: The meeting adjourned at 8:20 p.m.

Respectfully submitted,

Lynette M. Dowler
Chair

Aaron N. Mason
Secretary

/smw

These minutes were approved at the February 4, 2019 regular meeting of the Board of Trustees.