

# Lee Township Board Meeting Minutes

September 11, 2024

The Lee Township Board of Trustees held Regular Board Meeting September 11, 2024 at the Lee Township Hall, 23045 21 Mile Road, Olivet, Michigan.

**Regular Meeting called to order at 7:00pm followed by the Pledge of Allegiance**

**Members Present:** Supervisor Brad Shrontz, Clerk Samantha VanDorsten, Treasurer Melanie Piepkow, Trustee Casey Hall, **Members Absent:** Trustee Charles Letts

**Addition/Changes to Agenda:** 18 Mile Road, Pricing on Fencing and Bench

**Approval of Minutes:** Motion to approve minutes from August 7, 2024 meeting: Piepkow, second Hall

**Voice Call Vote= 4 yea 0 nay**

**Budget Amendments:** None

**Approval of Monthly Bills:** Motion to Approve Bills by Hall, support by Piepkow

**Roll Call Vote= Yes** Shrontz, Hall, VanDorsten, Piepkow

**Public Comment:** Gary Tompkins Candidate for County Commissioner; Handouts about solar; Request for Planning Commission dates and times to be put on the Township Website

**Reports: Clerk:** Election update for November 2024

**Treasurer:** Report supplied; Tax collecting

**Zoning:** Grant writing in progress gathering information needed.

**Elected Officials:** Tommy Miller- County Happenings

**Old/New Business:**

**Computers:** Server Computer Update

**18 Mile Road:** Proposal from Convis Township to redo 18 Mile Road provided.

## **Public Hearing – Sunfish 1 - Solar PILT application**

Township Attorney Catherine Kaufman noted that only 4 Township Board members were in attendance, as Trustee Letts was absent. She said that two of the board members in attendance have interest in Sunfish 1 or Sunfish 2 or both. She said that by law, because a quorum of the Board could not be obtained if both board members with interests in Sunfish 1, Sunfish2 or both abstained from review and consideration of the two PILT applications, Attorney Kaufman referenced the provisions of the Standards of Conduct of Public Officers and Employees Act, MCL 15.342a, allows participation of a board member with an interest in a matter upon certain findings.

Attorney Kaufman said Supervisor Shrontz will not participate in review of the PILT applications because he has interest in both the Sunfish 1 and Sunfish 2 projects. Attorney Kaufman said that Treasurer Piepkow will participate in the consideration of the PILT applications for both Sunfish 1 and Sunfish 2, although she has interest in Sunfish 2. In order to satisfy the requirements of MCL 15.342a, Attorney Kaufman asked Treasurer Piepkow to confirm that she does not work more than 25 hours per week for the township and that she has an interest in the Sunfish 2 project. Treasurer Piepkow confirmed that she does not work for the Township more than 25 hours per week and that she does have interest in the Sunfish 2 project. Attorney Kaufman determined that on these facts Treasurer Piepkow could participate in the review and any decision on both PILT applications.

Supervisor Shrontz left the board table. The remaining board members chose Trustee Hall to run the Board meeting and public hearings for the Sunfish 1 and Sunfish 2 PILT applications.

*Public Hearing Sunfish 1:* Trustee Hall opened public hearing at 7:30p. Attorney Peter Kulick, Dickinson Wright, representing Sunfish 1 made a presentation.

- Sunfish 1: 499-megawatt project

# Lee Township Board Meeting Minutes

September 11, 2024

- PILT Exemption of Personal Property Taxes. Payment would be \$7,000 per MW for 20 years.
- Attorney Kulick told the Board that the 2 projects together (Sunfish 1 and 2) would have a combined value of \$750 million - \$400 million for Sunfish 1 and \$350 million for Sunfish 2.
- Attorney Kulick distributed a handout comparing taxes the taxing entities would get over the 20-year period for Sunfish 1 under the regular taxation methods and under the proposed PILT. (Sunfish 1 and 2 handouts from Attorney Kulick are incorporated into the minutes of this Board meeting) Attorney Kulick said he had revised calculations for Sunfish 2, which he handed out for the Board's consideration during its review and deliberation on Sunfish 2.
- Attorney Kulick said that the PILT, if approved, would become effective the year the project goes into service and would run for 20 years from the date the project goes into service.
- Attorney Kulick said that according to his firm's calculations for Sunfish 1, the Township would come out \$489,103.44 dollars ahead if it approves the PILT application, as compared to the regulation taxation method.

Public comment: William Martin questioned the Township's authority to approve a PILT agreement. Attorney Kaufman cited Public Act 108 or 2023, the Solar Energy Facilities Taxation Act as the Township's authority to consider and act on the PILT applications for Sunfish 1 and 2.

Additional public comment: Questions asked about roads.

There being no further public comment, Trustee Hall closed Public Hearing for Sunfish 1 at 7:46 p.m.

*Public Hearing Sunfish 2:* Trustee Hall opened public hearing at 7:46p.m. Attorney Peter Kulick representing Sunfish 2 gave project specific details, including updated calculations from his firm's original submitted presentation.

- Sunfish 2: 309-megawatt project.
- PILT Exemption of Personal Property Taxes. Payment would be \$7,000 per MW for 20 years.
- Money would be paid at 50% when construction starts and 100% when start producing.
- Attorney Kulick's presentation is attached and incorporated into the minutes.
- Attorney Kulick said that according to his firm's calculations for Sunfish 2, the Township would come out \$216,154.03 dollars ahead if it approves the PILT application, as compared to the regulation taxation method
- The PILT would help pay down existing school bonds faster than by regular taxation method.

There was no public with comments during the public hearing on Sunfish 2.

There being no further public comment, Trustee Hall closed Public Hearing for Sunfish 2 at 7:51 p.m.

## **New Business:**

### **1. Solar PILT application – Sunfish 1**

The next item on the agenda was the Board's consideration of the Solar PILT application for Sunfish 1. Trustee Hall asked if there was any further Board discussion on the Sunfish 1 application. There being no further discussion, Hall asked Attorney Kaufman to read the Board's proposed resolution to approve the

# Lee Township Board Meeting Minutes

September 11, 2024

application. Attorney Kaufman read the proposed resolution for the record. Motion by Hall to approve Resolution 19-2024 to approve the PILT application for Sunfish 1, seconded by VanDorsten:

## **RESOLUTION 19-2024 - APPROVING SOLAR ENERGY FACILITY EXEMPTION CERTIFICATE SUNFISH 1**

WHEREAS, on June 28, 2024, Hecate Energy Sunfish Solar LLC (Sunfish 1) applied under the provisions of 2023 PA 108, as amended, for a Solar Energy Facility Exemption Certificate for Sunfish 1, a 499 MW qualified solar energy facility located on various properties in Lee Township, which properties are more particularly described herein in Attachment A.

WHEREAS, the Lee Township Zoning Ordinance authorizes proposed qualified solar energy facilities in the AG, Agricultural Zoning District, with special use approval, as required by Section 3(b) of 2023 PA 108; and

WHEREAS, the Lee Township Board properly noticed and held a public hearing on the Solar Energy Facility Exemption Certificate on September 11, 2024, as required by 2023 PA 108; and

WHEREAS, the Lee Township Board determined the Solar Facility Exemption Certificate to be complete; and

WHEREAS, the Lee Township Board reviewed the information contained in the application, along with the applicant's comments, any comments from the affected taxing entities or the public and properly deliberated thereon.

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. That the requested Solar Energy Facility Exemption Application as filed by Hecate Energy Sunfish Solar LLC (Sunfish 1) for a 499 MW facility be and hereby is approved for twenty years, which will provide for payment of \$7,000 per MW per year, as provided in 2023 PA 108.
2. That the Solar Energy Facility Exemption Certificate shall become effective as provided in 2023 PA 108, and shall be for a period of twenty years.
3. That the Township Board does hereby specifically find and determine that the granting of this Solar Energy Facility Exemption Certificate will not have the effect of substantially impeding the operation of the Township or impairing the financial soundness of a taxing unit which levies an ad valorem property tax within this Township and, further, hereby recommends approval of said application by the State Tax Commission.
4. That the Township Clerk be and hereby is directed to forward the application of Hecate Energy Sunfish Solar LLC (Sunfish 1) together with supporting documents and resolutions to the State Tax Commission for approval and for the issuance of Solar Facility Exemption Certificate in accordance with the provisions of 2023 PA 108, as amended.
5. That all Resolutions or parts of Resolutions in conflict with the provisions of this Resolution be and the same hereby are rescinded.

Roll call: YES: Piepkow, VanDorsten, Hall. Absent: Letts. Abstained: Shrontz

## **2. Solar PILT application – Sunfish 2**

The next item on the agenda was the Board's consideration of the Solar PILT application for Sunfish 1. Trustee Hall asked if there was any further Board discussion on the Sunfish 1 application. There being

# Lee Township Board Meeting Minutes

September 11, 2024

no further discussion, Hall asked Attorney Kaufman to read the Board's proposed resolution to approve the PILT application. Attorney Kaufman read the proposed resolution for the record. Motion by Hall to approve Resolution 20-2024 to approve the PILT application for Sunfish 2, seconded by VanDorsten.

## **RESOLUTION 20-2024 - APPROVING SOLAR ENERGY FACILITY EXEMPTION CERTIFICATE SUNFISH 2**

WHEREAS, on June 28, 2024, Hecate Energy Sunfish Solar 2 LLC (Sunfish 2) applied under the provisions of 2023 PA 108, as amended, for a Solar Energy Facility Exemption Certificate for Sunfish 1, a 309 MW qualified solar energy facility located on various properties in Lee Township, which properties are more particularly described herein in Attachment A.

WHEREAS, the Lee Township Zoning Ordinance authorizes proposed qualified solar energy facilities in the AG, Agricultural Zoning District, with special use approval, as required by Section 3(b) of 2023 PA 108; and

WHEREAS, the Lee Township Board properly noticed and held a public hearing on the Solar Energy Facility Exemption Certificate on September 11, 2024, as required by 2023 PA 108; and

WHEREAS, the Lee Township Board determined the Solar Facility Exemption Certificate to be complete; and

WHEREAS, the Lee Township Board reviewed the information contained in the application, along with the applicant's comments, any comments from the affected taxing entities or the public and properly deliberated thereon.

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. That the requested Solar Energy Facility Exemption Application as filed by Hecate Energy Sunfish Solar 2 LLC (Sunfish 2) for a 309 MW facility be and hereby is approved for twenty years, which will provide for payment of \$7,000 per MW per year, as provided in 2023 PA 108.
2. That the Solar Energy Facility Exemption Certificate shall become effective as provided in 2023 PA 108, and shall be for a period of twenty years.
3. That the Township Board does hereby specifically find and determine that the granting of this Solar Energy Facility Exemption Certificate will not have the effect of substantially impeding the operation of the Township or impairing the financial soundness of a taxing unit which levies an ad valorem property tax within this Township and, further, hereby recommends approval of said application by the State Tax Commission.
4. That the Township Clerk be and hereby is directed to forward the application of Hecate Energy Sunfish Solar 2 LLC (Sunfish 2) together with supporting documents and resolutions to the State Tax Commission for approval and for the issuance of Solar Facility Exemption Certificate in accordance with the provisions of 2023 PA 108, as amended.
5. That all Resolutions or parts of Resolutions in conflict with the provisions of this Resolution be and the same hereby are rescinded.

Roll call vote: YES: Van Dorsten, Piepkow, Hall. Absent: Letts. Abstain: Shrontz

Supervisor Shrontz rejoined board table.

# Lee Township Board Meeting Minutes

September 11, 2024

3. **Bench/Fencing:** Pricing provided to build bench between playground and pavilion and fencing around playground area.

Motion to approve \$1000 plus labor for project of Bench; Motion Piepkow, Second Hall

Roll Call: Shrontz, VanDorsten, Piepkow, Hall

**Board Comments:** Next Meeting: October 9, 2024 @7p

**Motion to adjourn** by Piepkow, supported by Hall Motion Carried adjourned at 8:31pm

Approved at the October 9, 2024 Regular Meeting.