

Otsego County Planning Commission

Approved Minutes for November 17, 2014

Call to Order: 6:00 pm by Chairperson Hartmann

Pledge of Allegiance

Roll Call:

Present: Chairperson Hartmann, Vice-Chairperson Jarecki, Mr. Borton, Mr. Hilgendorf, Mr. Arndt, Mr. Brown, Mr. Klee, Mr. Hendershot, Ms. Corfis

Absent: Ms. Nowak, Mr. Mang

Staff Present: Mr. Schlaud, Ms. Boyak-Wohlfeil

Others Present: John Burt, Otsego County Administrator, Bruce Brown, Otsego County Commissioner, Lee Olsen, Otsego County Commissioner, Paul Beachnau, Gaylord Chamber of Commerce/Otsego County Commissioner, Lisa McComb, Otsego County Economic Alliance Director, Haider Kazim, Otsego County Legal Counsel

Public Present: Brian Warner, Wolverine Power, Ken Bradstreet, John Ernst, Felix Burdo, Steve Johnson, Scott McPherson, Alice McPherson, Dave Johanningsmeier, Mark Johnson, GHT reporter

Consent Agenda: None

Approval of minutes from: October 20, 2014

Motion made to approve minutes as written by Mr. Hendershot; Seconded by Mr. Brown.

Motion approved unanimously.

Other: None

Public participation for items not on the agenda: None

Unfinished applicant business: None

Public Hearing:

Wolverine Power Company, in cooperation with the optioned property owners of the listed parcels, is requesting a rezoning of these same parcels:

060-020-300-010-00/7603 M-32 West Elmira, MI 49730

060-020-300-005-01/M-32 West Elmira, MI 49730

060-020-400-010-00/M-32 West Elmira, MI 49730

060-020-400-005-02/M-32 West Elmira, MI 49730

The rezoning is proposed as a Conditional Rezoning per Section 405 of the Michigan Zoning & Enabling Act.

Currently zoned AR/Agricultural Resource and B2/General Business

PREZ14-001-proposed rezone to B3/Business, Light Manufacturing and the proposed use of the property is the operation of a power plant.

Otsego County Planning Commission

Approved Minutes for November 17, 2014

Chairperson Hartmann opened the public hearing, introduced Ken Bradstreet and asked him to begin his presentation.

Public Hearing Open: 6:01 pm

Mr. Bradstreet thanked everyone and began a power point presentation explaining the beginning of cooperatives and the start of Wolverine Power.

He stated Wolverine Power chose the site in Elmira Township for the proposed power plant for two (2) reasons; the two (2) thirty-six inch (36') natural gas transmission lines running along the east side of the proposed properties and Wolverine's own electrical transmission line running along the west. Other sites considered already zoned B3/Business, Light Manufacturing or I/Industrial, would have been more complicated, more expensive and more time consuming having to run lines and acquiring easement permissions. Elmira was ideal in its uniqueness.

Mr. Bradstreet had renderings of the proposed project stating the plant would be very similar. The power plant would be located on the north eighty (80) acres, about five hundred feet (500') north of M-32 and a breaker station on the south eighty (80). The north and south eighty (80) acres were currently zoned AR/Agricultural Resource and the eight (8) acres to the east were zoned B2/General Business. The plant would consist of two (2) generating units built to blend in with the surrounding landscape.

He went on to state the typical plant operation would be fifty (50) to one hundred and twenty (120) days a year and would run predominately during the daylight hours. This would be a peaking plant or a backup plant being brought online in times of wind energy shortages. During construction there would be twenty-five (25) to one hundred (100) people on site and afterwards, the plant would employ six (6) to eight (8) personnel, mostly employees alternating between the Milbocker plant and the proposed one as needed.

Mr. Bradstreet stated there will be no visible stack emissions or odor from this type of plant and in terms of sound, per manufacturer, less than sixty (60) decibels at five hundred feet (500'), fifty (50) decibels at a quarter (¼) mile and forty (40) decibels at a half (½) mile is expected. A rendering was available depicting the range of sound tested.

He discussed the tax benefits to the County and Township stating costs of the project were looking in excess of \$140 million which would annually increase the County General Fund by \$280,000, the Township General Fund by \$70,000 and the Township Fire Department by \$70,000. The proposed Alpine Power Plant would also create additional monies to the schools, other County entities and increase the new road millage by approximately \$70,000.

In order to be online by 2016, Mr. Bradstreet stated the timeframe was limited. Working backwards from the 2016 project completion, many permits and studies needed to be submitted in a manner so as not to delay one another. MISO studies can only be submitted twice a year, January or August, and must be completed before construction can begin. An air quality permit application would be filed with the Michigan Department of Environmental Quality (MDEQ) in December. This process is very strict regarding public health and safety and must also be complete before construction is started. Budgets needed to be considered and equipment ordered in advance also.

Mr. Bradstreet concluded with a request for the Otsego County Planning Commission's support of Wolverine Power's rezone application and stated there were many professional people involved with the project and welcomed any questions.

Chairperson Hartmann asked if there were any public comments.

Otsego County Planning Commission

Approved Minutes for November 17, 2014

Felix Burdo spoke stating he owned property to the north of the proposed property and he was concerned the renderings were not indicative of the true stack height. He was also concerned with the noise level measurements and asked for some type of comparison.

Mr. Bradstreet referred to the sound rendering and stated at the one half (½) mile mark a maximum reading of forty-four decibels was expected. He said a car driving by would register about seventy (70) decibels, stating every ten (10) decibels is a doubling of sound.

Brian Warner, Wolverine Power representative, stated Wolverine Power had retained a noise specialist mostly focused on gas turbines. Once the manufacturer had been selected and location pinpointed, a more detailed noise study would be performed. He felt the numbers presented were conservative and the special use permit would provide much more information. Walls, berming and baffles are all forms of sound reduction being looked into. He also stated another reason this site was chosen was for the space that would surround the power plant.

Mr. Bradstreet stated the newer units are larger but the older units create more noise. The exact stack size is not known presently but could be as high as one hundred feet (100'). The special use permit is the second step to the process and more details would be available at that time.

Scott McPherson addressed the Commission stating this was a contradiction to the Township and County Master Plan and hoped any issues concerning residential use were mitigated. He too was very concerned about the sound, stating sound was a much more complicated issue than taking readings in the afternoon. He did not feel the amount of acreage was necessary for the rezone and was apprehensive of other properties in the area requesting a rezone.

Alice McPherson questioned the possibility of strong winds taking out much of the trees leaving the property exposed.

Chairperson Hartmann stated he believed the trees were not being solely relied on for sound reduction and concealment. A wall was also being discussed as an additional solution. He stated at the first Township meeting, Joe Duff, City Manager, had expressed his opinion of the Milbocker plant being a good neighbor to the surrounding properties.

Mrs. McPherson stated she had been present at the first meeting and thought 'good neighbors in an industrial park' was quite different from 'good neighbors in an agricultural area'.

Chairperson Hartmann stated because this was a *conditional rezone*, the property would revert back to the agricultural zoning should the power plant be decommissioned.

Paul Beachnau, Gaylord Chamber of Commerce, stated he encouraged the Planning Commission to approve the rezone request. Statistics have shown a demand for reliable energy and it is a big concern for businesses in northwest Michigan; a state of the art natural gas facility creating clean energy is the way to go. He stated he spoke with the Chamber of Commerce down in Cadillac and was told Wolverine Power was a model citizen and a first rate company.

Mr. McPherson questioned the changes in the personal property tax and the possibility of natural gas becoming available to the residents in the area.

Chairperson Hartmann stated he could not answer either of those questions.

Mr. Bradstreet stated the personal property tax is an incentive for manufacturers but did not apply to power companies because their equipment could not be relocated. It is looked at as a long term depreciable asset.

Otsego County Planning Commission

Approved Minutes for November 17, 2014

Chairperson Hartmann asked for any more comments and closed the public hearing.

Public Hearing Closed: 6:40 pm

Advertised Case:

Wolverine Power Company, in cooperation with the optioned property owners of the listed parcels, is requesting a rezoning of these same parcels:

060-020-300-010-00/7603 M-32 West Elmira, MI 49730

060-020-300-005-01/M-32 West Elmira, MI 49730

060-020-400-010-00/M-32 West Elmira, MI 49730

060-020-400-005-02/M-32 West Elmira, MI 49730

The rezoning is proposed as a Conditional Rezoning per Section 405 of the Michigan Zoning & Enabling Act.

Currently zoned AR/Agricultural Resource and B2/General Business

PREZ14-001-proposed rezone to B3/Business, Light Manufacturing and the proposed use of the property is the operation of a power plant.

Mr. Arndt stated his company had appraised different properties for Wolverine Power and if anyone felt he should abstain from the rezoning decision, he would step out. No objections from the Planning Commission members or public were raised.

Chairperson Hartmann identified the County's concerns as safety, health and welfare. He questioned Mr. Warner about fire suppression, stating he did not feel Elmira Township Fire Department was equipped to handle a natural gas fueled fire.

Mr. Warner replied there would be an emergency fire pump on site. They would also be working with the natural gas company in constructing the tap, relying on their expertise as far as gas line safety, all of which is regulated by very strict standards under the Michigan Public Service Commission.

Mr. Ernst stated the National Fire Protection Association (NFPA) 850 governs power stations and basically states what is necessary for fire suppression for a power generating facility. It has its own fire suppression built in. A letter from the Elmira Township Fire Department was received and will be presented with the special use permit stating they are confident in providing any help that may be needed.

Mr. Warner stated there were also internal fire suppression systems installed.

Chairperson Hartmann stated the welfare of the County was a concern; should the plant become decommissioned, the property needed to be reclaimed.

Haider Kazim, Otsego County Legal Counsel, stated the case was for a conditional rezone only. The Commission cannot place any conditions on the property other than what is being proposed by the property owners as part of the conditional rezone. The issue of reclamation or performance guarantee should be discussed at stage two (2), the special use permit.

Chairperson Hartmann asked for a motion.

Mr. Kazim suggested including the finding of fact as part of the discussion and adding the applicant's conditions of the rezone to the motion.

Otsego County Planning Commission

Approved Minutes for November 17, 2014

Motion made by Mr. Borton to approve PREZ14-001, a conditional rezone for the following four (4) optioned properties:

060-020-300-005-01/AR; 060-020-300-010-00/AR; 060-020-400-005-02/B2; 060-020-400-010-00/AR after fact finding consideration and with the conditions stated by the applicant, Wolverine Power Cooperative:

- 1) The use of the property will include a natural gas fired power generation plant, ancillary equipment and buildings and accessory uses which include but are not limited to; electric power substations, electric transmission and distribution facilities, natural gas metering and regulation stations, air compression equipment, backup electric generation, water storage tanks and the maintenance of these facilities (*SEE ATTACHMENT*)
- 2) The special use permit process will be pursued
- 3) Construction will begin within three (3) years from the date of the rezone

Motion seconded by Mr. Hilgendorf

Roll Call Vote: Ayes-9
 Nays-0

Motion approved unanimously.

Unfinished Commission Business:

New Business:

Mr. Hilgendorf stated he had received a notice for a planning and zoning workshop from NEMCOG for a Lake Huron Watershed project next month.

Chairperson Hartmann asked anyone interested in going to the workshop to contact Land Use staff.

Reports and Commission Member's Comments:

1. Otsego County Parks & Recreation report-**None**
2. Guidelines for PC, ZBA, Elected Officials /Zoning Training

Adjournment: 7:09 pm by Chairperson Hartmann

Christine Boyak-Wohlfeil, Recording Secret

Otsego County Planning Commission

Approved Minutes for November 17, 2014

ATTACHMENT:

FINDING OF FACTS:

The Planning Commission Finds...

...*the* unique characteristics pertaining to these properties are the existence of two (2) thirty-six inch (36") natural gas transmission lines and an electrical transmission corridor running along either side making this a very desirable location as opposed to other properties considered already zoned B3/Business, Light Manufacturing

...*the* inclusion of the parcel of property zoned B2/General Business allows all permitted and permitted special uses in a B1/Local Business Zoning District which permits a utility and essential service building:

10.2.5 Utility and essential service buildings when operating requirements necessitate the locating of said facilities within the District in order to serve the immediate vicinity.

...*the* applicant is proposing the use of the property to include a natural gas fired power generation plant, ancillary equipment and buildings and accessory uses which include but are not limited to; electric power substations, electric transmission and distribution facilities, natural gas metering and regulation stations, air compression equipment, backup electric generation, water storage tanks and the maintenance of these facilities

...*the* proposed use is a Permitted Use Subject to Special Conditions in a B3/Business, Light Manufacturing Zoning District

...*the* applicant going to great lengths to impose as minor an impact as possible to the surrounding areas in the way of noise and aesthetics

...*at* the conclusion of construction, there will be a minimum amount of traffic once the plant is operational

...*safety* precautions to be taken with regulated standards by the State of Michigan

...*the* need for clean energy is ongoing and this proposed rezone would be beneficial in helping to meet that need