



## **Webster Township Regular Board Meeting April 20, 2010**

The Webster Township Regular Board Meeting was called to order at 7:30 pm, by Supervisor Kingsley on April 20, 2010 at the township hall, 5665 Webster Church Road Dexter, MI 48130.

Members present: Supervisor: Kingsley, Clerk: Heller, Treasurer: Whitney, Trustees: Westman, Koch, Estleman, Kleinschmidt, Engineer/Zoning Administrator Pindzia, Recording Secretary Zuccaro and ten citizens.

**Meeting opened with the Pledge of Allegiance to the flag.**

### **Approve Minutes**

Motion Koch second Kleinschmidt to approve the minutes of the Regular Board Meeting held on March 16, 2010 and the Public Hearing minutes of March 16, 2010. All ayes and carried.

### **Supervisor Remarks**

#### **Approve Agenda**

Motion Westman second Estleman to approve the April 20, 2010 agenda with an addition under New Business: Item F. *New Attorney to Handle Conservation Easements*. All ayes and carried.

### **Presentation: WAVE**

### **Public Hearing: Industrial Facilities Tax Exemption Certificate for Thompson Shore**

\*see attached

**Regular Meeting reconvened at 8:12 pm**

### **Call to Public**

#### **Reports**

##### **A. Treasurer's Report**

Motion Kleinschmidt second Westman to accept Treasurer's report and pay bills as presented as well as those anticipated bills received before the May meeting.

Roll call vote, all ayes and carried.

##### **B. Planning Commission:**

Report received.

##### **C. Parks and Recreation Committee:**

No report received.

**D. Zoning inspectors Report:**

Report received. Four permits issued and ten zoning inspections.

**E. Sheriff's Report:**

Report received.

**F. Zoning Board of Appeals:**

No report received.

**G. PDR Committee:**

Report received.

**H. Fire Department Report:**

Report Received.

**Old Business**

**New Business**

**A. WAVE**

Motion Estleman second Heller to have Webster Township contribute \$5000.00 to WAVE to service Webster Township residents. Roll call, all ayes, motion carried.

**B. Industrial Facilities Tax Exemption Certificate for Thomson Shore Inc.**

Motion Westman second Koch to accept the *Resolution for an Industrial Facilities Exemption Certificate Thomson Shore, Inc., Industrial Development District*, as written. Roll call, all ayes, motion carried.

**C. Portage Base Lake Home Owners Ad Hoc Committee Member**

Supervisor Kingsley will serve on the committee.

**D. Health Insurance**

Motion Westman second Koch to accept the *Resolution to Authorize the Deduction of Health Insurance Costs of Webster Township Employees Pay* as written. Roll call, all ayes, motion carried.

**E. Storybook Lane Project Close Out**

Motion Kleinschmidt second Westman to return approximately \$12.00 in escrow funds to Mr. Xuereb. Roll call, all ayes, motion carried.

**F. New Attorney to Handle Conservation Easements**

Motion Westman second Koch to replace departing WTFOSPB attorney Jim Govert with Joe Fazio, real estate attorney from Miller Canfield, effective May 1, 2010. All ayes, motion carried.

**Correspondence**

Correspondences received.

**Call to Public**

None

**Adjourn**

Motion Kleinschmidt second Heller to adjourn the meeting. The meeting adjourned at 9:24 pm. All ayes and carried.

Respectfully submitted,

Mary Dee Heller, Clerk

## Webster Township Board of Trustees Public Hearing April 20, 2010

### Industrial Facilities Tax Exemption Certificate for Thompson Shores

A Public Hearing was called to order at 7:35pm by Supervisor Kingsley.

Members present: Supervisor: Kingsley, Clerk: Heller, Treasurer: Whitney, Trustees: Westman, Koch, Estleman, Kleinschmidt, Engineer/Zoning Administrator Pindzia, Recording Secretary Zuccaro and ten citizens.

Facilities Tax Exemption Certificate for Thomson Shore, Inc.

Kevin Spall, Thomson Shore Rep: Essentially what we are asking you for is an investment in our company. Thomson Shores has been a successful printing supplier to the book market and we focused on a very special area of traditionally analog printing of short run printing, by that I mean two hundred to two thousand book counts per order. We remain very strong in that area; however there are a number of competitors now that are in that piece of the industry, along with us, as run counts have come down in the industry. Many of the larger printers, that in the past have not played in that arena, have come down to those quantities; however we still remain successful in this area today and have a good position.

What's transpired over the last five or six years is new technology for the production of very small counts, from one to four or five hundred. That's an area that in the past has not had practical technology or equipment. What's exacerbated the push to that type of printing is in the last few years with the economic recession, publishers have been strained to earn money, they've looked to conserve their own cash flow and reduce their own inventory. The competition in that area of the industry has become fierce, some from the traditional printers, but mainly from new up-starts. The internet boom, a competitor we never had before, can produce as few as one book and is creating a whole new brand of competition.

So with this, a couple of years ago we put together a road map to reinvest in the company. Our tradition platform of offset analog printing of books, which is still a very healthy part of the business, 95-98% of products still produced, is not going away anytime soon. This seven million dollars that we are looking to spend really is a reinvestment in this new area of the industry which is really focused in digital technology and the equipment to produce the books. A large part of this is also the technology of moving product through the facility using what is referred to as *Computer Integrated Manufacturing*, computers talking to computers to move product more efficiently, reducing our costs, and remaining competitive.

So that area of printing, printing a single copy efficiently and quickly up to a few hundred copies along with our tradition offset equipment combine for a platform that is fairly unique in the industry. There are very few companies that compete with us in the industry that can print one copy up to a few thousand in one facility, so it is a unique proposition. We have already started the investment and we've already made purchases.

Kingsley: There are a couple of factors involved in your request, one the equipment and second improvements to the building because of the environment this new equipment requires. That all adds up to about seven million dollars. In terms of employees, this does not mean an increase in the number of employees; basically we are talking about

maintaining the same number of employees and changing their responsibility to the needs of the equipment. Is that correct?

Kevin Spall, Thomson Shore Rep: That's correct. The expectation is that as the volume moves in production from the traditional offset approach and over to the digital approach we'll take employees from the traditional area and train them and move them into the digital area. I do believe there will be some incremental staff additions as a result. An example, we just move two employees from the traditional business into the digital business and we're busy enough, thankfully, that we need to hire to replace those people. In the short term, defined as nine to twelve months, I see incremental hires; the expectation is that the all-in-one business platform attracts more business.

Kingsley: But what you're really asking for is a tax abatement of up to seven million dollars over 12 years with 200 employees. Is that correct?

Kevin Spall, Thomson Shore Rep: That's correct.

Kingsley: OK, questions from the board members?

Westman: Exactly what impact does that have on Webster Township?

Kevin Spall, Thomson Shore Rep: The impact short term is the development of unique technology that will attract publishers to Thomson Shore. The publishing industry today is kind of in a state of "wild west" for a lot of reasons, but in large part due to the economy and also in large part to e-books. Publishers are trying to discover a new business model. We are developing technology and methodology we think will attract publishers to us. We also believe that in order to support them in this new business we are going to have to add additional services like distribution. So I think for Webster Township it creates a greater draw to Thomson Shore. I believe it will add to the longevity of the company.

Westman: My question was more directed towards Mr. Kingsley in revenue generation as opposed to .....

Kingsley: OK, in terms of real dollars and cents, this proposal is not going to cost Webster Township anything. After twelve years, assuming you grant them twelve years – you don't have to grant them the full twelve years, basically it is revenue neutral at this point in time because the equipment is not there so we don't get the personal property tax on it anyway. After twelve years we will be receiving personal property tax on the depreciated value of the seven million dollars at that time. It's not going to mean very much in dollar and cents to the township. In terms of the schools, the parks system, and the county it's going to help them after the twelve year period of time. Keep in mind though; we are trying to assist Thomson Shore in being a viable company now and in the future. We don't need another vacant building any place in this area, not even in this region. Overall, it's going to help the region – do they employ two hundred people from Webster Township, no, most of those people drive to get to work every day and they live someplace else. In terms of the region, I think it's a good thing for the region. Any other questions?

8:12pm Kingsley opens up the Public Comment:  
None

Kingsley: Seeing no other comments I will close the Public Hearing portion of this meeting.

