

Minutes
Huron-Clinton Metropolitan Authority
Board of Commissioners
Thursday, November 10, 2016

A regular meeting of the Huron-Clinton Metropolitan Authority's Board of Commissioners was held at 10:30 a.m. on Thursday, November 10, 2016 at the Administrative Office.

Commissioners Present:	John C. Hertel Bernard Parker (arrived at 10:38am) Jaye Quadrozzi Timothy J. McCarthy Robert W. Marans Steven E. Williams
Staff Officers:	
Director	George Phifer
Deputy Director	Dave Kirbach
Chief Financial Officer	Michelle Cole
Absent:	Anthony V. Marrocco
Other Attendees:	
Steve Mann	Miller, Canfield, Paddock and Stone, PLC
Kyle Seidel	Anderson, Eckstein and Westrick, Inc.
Jason Arlow	Anderson, Eckstein and Westrick, Inc.

Chairman Hertel called the Nov. 10, 2016 meeting to order at 10:25 a.m.

1. Chairman's Statement

Commissioner Hertel said the Board was waiting on a quorum to begin the budget hearing.

2. Public Comments

Janet McAlpine, former Metroparks part-time employee, said she worked at Kensington for 37 years and has addressed the Board four times since July 2016. She said employees were told they needed to retire in order to receive the benefits of the silver card and hopes that the Board reconsiders eliminating the silver card.

Frank Campbell, former Metroparks part-time employee, said he believes the silver card benefits should continue and asked the Board to reconsider.

Toni Spears, Metroparks volunteer, said the 2017 budget makes an unprecedented use of Fund Balance, that there were a number of revisions from the preliminary budget and that several items needed discussion. She said discussion was needed on the closure of three golf courses, including the Hudson Mills golf course, since the master planning for Hudson Mills was to begin soon and should have public input before closing the course. Ms. Spears questioned the need for a full-time golf course manager if three courses would be closing and golf revenue was declining. She said the 2017 Budget had \$500,000 for a new administrative office design and \$2 million for a new park office at Lower Huron and that those expenses should be justified. Ms. Spears said the continued expansion of administrative office staff should be reviewed and asked if staffing levels were appropriate.

Motion by Commissioner McCarthy, support by Commissioner Quadrozzi to adjourn the regular meeting and open the Budget Hearing.

Motion carried unanimously.

Regular meeting adjourned at 10:30 a.m.

Commissioner Hertel reconvened the regular meeting at 10:43 am.

3. Approval – October 13, 2016 Regular Meeting Minutes

Motion by Commissioner Parker, supported by Commissioner McCarthy that the Board of Commissioners' approve the October 13, 2016 meeting minutes as presented.

Commissioner Marans said he had minor corrections and he would like adjusted on the minutes (page four, under discussion for the silver card policy).

Motion by Commissioner Parker, supported by Commissioner McCarthy that the Board of Commissioners' approve the October 13, 2016 meeting minutes as amended.

The motion as amended carried unanimously.

4. Approval – November 10, 2016 Agenda

Motion by Commissioner Marans, support by Commissioner Parker that the Board of Commissioners' approve the November 10, 2016 agenda as presented.

Motion carried unanimously.

5. Approval – November 10, 2016 Consent Agenda

Motion by Commissioner Marans, support by Commissioner Williams that the Board of Commissioners' approve the consent agenda consisting of the following:

- a. Approval – October 2016 Financial Statements and Payment Registers
- b. Approval – October 2016 Appropriation Adjustments
- c. Report – Purchases over \$10,000
- d. Approval – 2016 Property and Liability Insurance Renewal
- e. Approval – 2016 Fiduciary Liability Insurance Renewal
- f. Bids – Wave pool Controller Replacement, Lake Erie Metropark
- g. Report – Environmental Management Plan

Commissioner Parker asked for clarification on appropriation adjustments and how line items are increased and/or decreased. Controller Franchock said it occurs when funds are transferred from one account to another account and do not have an impact on the Fund Balance.

Regular Agenda

6. 2017 Budget Approval and Resolution

Motion by Commissioner Quadrozzi, support by Commissioner McCarthy that the Board of Commissioners' approve the 2017 Budget as recommended by Controller Franchock and staff.

Discussion: Commissioner Parker asked where the funds were at in the Budget for Summer Fun. Controller Franchock said the funds were in the Administrative Office budget under the communications department. Ms. Franchock said a modest increase was added to the 2017 Summer Fun budget going from \$140,000 to \$190,000.

Commissioner Parker said he was glad the budget for this program was increasing and that it is a good program and helps a lot of people come out to the parks.

Commissioner Marans said there was a substantial increase to the major maintenance account at the Administrative Office and asked if it was due to design of a new building. Controller Franchock said the increase was primarily due to the cost of the engineering staff and where funds are allocated.

Motion carried unanimously.

7. Reports

A. Administrative Office

1. Confirmations

a. Chief Financial Officer

Director Phifer announced that he was bringing two key positions to the Board for approval – the Chief Financial Officer and Deputy Director.

Director Phifer introduced Michelle Cole as the new Chief Financial Officer and requested Board confirmation and approval.

Motion by Commissioner McCarthy, support by Commissioner Parker that the Board of Commissioners' confirm the appointment of Michelle Cole as the Chief Financial Officer for the Metroparks.

Ms. Cole thanked the Board for the opportunity and said she was looking forward to working with the Board.

Motion carried unanimously.

b. Deputy Director

Director Phifer introduced Dave Kirbach as the new Deputy Director and updated the Board on his background.

Motion by Commissioner Parker, support by Commissioner McCarthy that the Board of Commissioners' confirm the appointment of Dave Kirbach as the Deputy Director for the Metroparks.

Commissioner Hertel said he wanted to remind everyone that Director Phifer has been doing double and triple duty while not being paid for the extra work.

Motion carried unanimously.

2. Report – Salary Survey (The Archer Company)

Motion by Commissioner McCarthy, support by Commissioner Marans that the Board of Commissioners' receive and file The Archer Company report as presented by Mr. Battigaglia and recommended by Director Phifer.

Discussion: Director Phifer introduced Mr. Battigaglia and said he would be presenting results of the recently conducted executive staff salary survey.

Mr. Battigaglia reviewed the purpose of the study; the methodology used and reviewed the findings. He said salary survey participants included local parks and recreation agencies that included Oakland, Washtenaw and Wayne counties as well as agencies throughout the U.S. He reviewed the positions that were surveyed and the pay plan development – use existing department head pay plan, increase by 9.3 percent, extrapolate the pay grades by 9.3 percent to develop new pay plan, assign positions to pay grades based on salary data or job evaluation.

Commissioner Hertel asked if the organizations listed have the same number of employees and source of income. Mr. Battigaglia said he would provide the requested information.

Commissioner Marans asked who provided the list of people for the survey. Director Phifer said the positions surveyed are all part of the non-bargaining or non-union positions. Commissioner Parker asked if the Board was waiting on additional information in order to make a recommendation. Commissioner Hertel said Director Phifer should make recommendations for his direct reports and that the Board should recommend salaries for the director and deputy director.

Commissioner Marans said he would like a subcommittee selected to determine salaries.

Commissioner Hertel said this was long overdue and that once everyone was able to go through the material, a subcommittee of three board members and that Director Phifer, Michelle Cole and Dave Kirbach would also be invited to attend the meeting(s).

Motion by Commissioner McCarthy, support by Commissioner Marans that the Board of Commissioners appoint three Board members to review salaries for non-bargaining unit staff and bring a recommendation to the full Board for approval.

Motion carried unanimously.

Commissioner Williams asked if Mr. Battigaglia had experience conducting salary surveys, as the amounts were very close and was surprised to hear one was never done. Mr. Battigaglia said it is not uncommon that a salary survey has not been completed as most people receive merit or yearly increases.

7. Reports

A. Administrative Office

3. Report – Gabriel, Roeder, Smith & Company

Motion by Commissioner McCarthy, support by Commissioner Marans that the Board of Commissioners' approve the Pension Committee recommended assumptions to be used in future actuarial valuations for the Huron-Clinton Metropolitan Authority Employee's Defined Benefit Retirement Plan as recommended by Controller Franchock.

Discussion: Controller Franchock updated the Board on the changes approved by the Pension Committee at its meeting prior to the full Board meeting, which included the following changes: update the actuarial assumptions and also to revise all option factors (including early retirement reduction factors) for benefit calculations to the new mortality tables and new interest rate assumptions effective January 1, 2017 as detailed below:

Demographic Assumptions:

1. Rate of Retirement – maintain with no change;
2. Rate of Turnover – maintain with no change;
3. Rate of Disability – change the current disability rates to proposed rates as recommended;
4. Mortality – change the mortality assumption to use the tables as recommended; and
5. Merit and Longevity portion of pay increases – change the base wage inflation from 3.75 to 3.5 percent.

Economic Assumptions:

1. Price Inflation – adopt a price inflation assumption of 2.75 percent;
2. Wage Inflation – change the wage inflation assumption to 3.5 percent;
3. Investment return assumption – change the investment return assumption to 6.75 percent.

Commissioner McCarthy said this is a more conservative approach and will require the Metroparks contribution to go up, but does reduce the risk.

Motion carried unanimously.

4. Update – Gold and Silver Card Policies

Motion by Commissioner McCarthy, support by Commissioner Quadrozzi that the Board of Commissioners' amend the Gold and Silver Card Policies to reflect the following changes (1) Gold and Silver Card guests be limited to the spouse of the Gold/Silver Card holder; and (2) the cart fee increases from \$5 to \$10.

Discussion: Director Phifer said he has spoken with Board members and supports Commissioner McCarthy's recommended changes – guests are limited to the spouse of the Gold/Silver cardholder and that the cart fee increases from \$5 to \$10.

Commissioner Quadrozzi asked what the difference was between the Gold and Silver cards. Commissioner McCarthy said the changes are for golf and full-time retirees receive two annual permits.

Commissioner Parker asked if the Metroparks was going to keep the Silver Card Policy. Commissioner McCarthy said yes, that the policy will be phased out over time.

Commissioner Williams asked if the cart fees were the same for everyone. Commissioner McCarthy said no, the general public pays \$15 for cart fees.

Motion carried unanimously.

7. Reports

B. Human Resources

1. Approval – Health Insurance Rate Increases and Policy Changes

Motion by Commissioner Marans, support by Commissioner McCarthy that the Board of Commissioners' accept the recommended changes to the 2017 employee and retiree medical and dental insurances as outlined below and approve a 2017 Rate Stabilization Surplus distribution to employees.

Discussion: Mr. Rossman updated the Board on recommended changes, which include changing the dental carrier from Delta Dental to Blue Cross Blue Cross Blue Shield of Michigan Blue Dental and changing the deductible for medical coverage. In addition to the plan changes, staff recommends the use of retention funds received from the BCBSM rate stabilization surplus refund over the last two years to help offset the deductible increase for the active employees enrolled in the High Deductible Health Plan. Similar to the disbursement of January 2016, staff is proposing a \$700/\$1,400 payment to active employees enrolled in the HDHP plan at Jan. 1, 2017.

Mr. Rossman said the combined rate stabilization surplus from 2015 and 2016 totaled \$727,526. After the employee disbursement for 2016, the balance of the account is \$631,626. The recommendation staff has proposed will reduce the balance by approximately \$200,000, leaving an estimated ending balance of \$431,626.

Commissioner Quadrozzi asked if all employees have agreed to the changes. Mr. Rossman said yes, both the employee association and the POAM. Commissioner Quadrozzi thanked staff for the hard work.

Motion carried unanimously.

B. Human Resources

2. Approval – Medicare Eligible Retiree Insurance Rate Increase

Motion by Commissioner McCarthy, support by Commissioner Quadrozzi that the Board of Commissioners' approve and accept the proposal to renew the Metroparks current Medicare Advantage insurance policy for Medicare eligible retiree's.

Discussion: Mr. Rossman updated the Board on the original requested changes presented at the Oct. 13, 2016. Upon presenting the change of coverage from Blue Cross Blue Shield Medicare Advantage to United American, Blue Cross Blue Shield informed the Metroparks insurance broker, the Marsh & McLennan Agency, that BCBSM would not allow the separation of the Metroparks pre-65 and post-65 retirees. This was a new policy from Blue Cross Blue Shield, which they had filed with the state of Michigan that allows them to stand firm on this requirement.

Commissioner McCarthy asked if Marsh & McClellan had any recommendations moving forward. Mr. Rossman said they are researching options to try to move the entire group.

Motion carried unanimously.

7. Reports

C. Planning Department

1. Approval – Stony Creek Boat Launch Building Design

Motion by Commissioner Marans, support by Commissioner Quadrozzi that the Board of Commissioners' approve the revised Stony Creek Boat Launch site design concept presented by Anderson, Eckstein and Westrick, Inc. (AEW) as recommended by Manager of Planning Nina Kelly and staff.

Discussion: Manager of Planning Nina Kelly updated the Board on the revised plan for the boat launch design and introduced Kyle Seidel and Jason Arlow with Anderson, Eckstein and Westrick, Inc. who then reviewed the updated design changes.

Mr. Seidel reviewed the changes from the original design, which included moving the hike-bike trail to along the water, moved the building, added a decorative fence to separate the building area from the entrance, extended and increased the boat launch parking area.

Mr. Seidel said the parking lot would be separated into regular parking and boat parking. Parking slots for bikes as well as a bike repair area will also be added along with a possible viewing platform along the lake.

Commissioner McCarthy asked if the Board would be able to meet in the new building. Director Phifer said staff would make arrangements to have future meetings at the new building.

Commissioner Williams asked if the bike repair area was going to have air compressors. Mr. Seidel said the plan currently does not have compressors.

Commissioner Williams asked if any of the parking lots have air compressors. Director Phifer said no, not currently.

Jason Arlow reviewed the proposed changes to the building including the outdoor patio area, warming area, kitchen area, the addition of a family bathroom and expanded restrooms.

Commissioner Hertel said the safety issue have been addressed and the rendering looks much better.

Commissioner Quadrozzi said she liked the viewing area.

Commissioner Parker asked if Wi-Fi was available. Director Phifer said yes.

Commissioner Parker also asked if there would be poles for tying off boats while the vehicles and trailers were moved. Mr. Arlow said yes.

Commissioner McCarthy asked if ADA accessible parking spots increased. Mr. Seidel said yes, ADA spots increased from four to 14.

Director Phifer thanked staff for the work done on this project.

Commissioner Hertel said this project was a good example of staff and an organization working with the Board.

Commissioner Williams asked if soil testing was done. Mr. Seidel said the tests were ordered and will be completed soon.

Commissioner Marans asked about the project budget. Director Phifer said approximately \$2 million.

Motion carried unanimously.

7. Reports

C. Planning Department

2. Report – Lower Huron Master Plan

Motion by Commissioner Marans, support by Commissioner McCarthy that the Board of Commissioners' receive and file the draft Lower Huron Metropark Master Plan as presented by Manager of Planning Nina Kelly and staff.

Discussion: Ms. Kelly updated the Board on the details for the Lower Huron Master Plan and explained the process was similar to the Master Planning process for Stony Creek and Wolcott Mill Metropark. Ms. Kelly said they have received approximately 180 online responses and the main request was adding more amenities.

Commissioner Marans asked about public input and if the steering committee was apprised of only staff. Ms. Kelly said yes. Commissioner Marans also asked attendance at the public meetings. Ms. Kelly said attendance was slightly smaller than usual.

Commissioner Marans suggested adding signage at the entrances and tollbooths moving forward, especially for Hudson Mills.

Commissioner Marans also suggested a more formal partnership with Washtenaw County Parks and Recreation on collaboration efforts.

Motion carried unanimously.

C. Planning Department

3. Approval – Five-Year Recreation Plan Survey

That the Board of Commissioners' approve the proposal submitted by the ETC Institute in the amount of \$69,620 to conduct a public survey of the Metroparks five-county service area as recommended by Manager of Planning Nina Kelly and staff.

Discussion: Ms. Kelly said staff was recommending the ETC Institute because they have a language translation component, map coding and offer several methods for posting the survey that included direct mail and online options.

Director Phifer said that he, Commissioner Marans and Ms. Kelly conducted a phone interview with the ETC Institute to review the specifics in the proposal.

Commissioner Marans said he initially had concerns with using this company because he was not familiar with the organization. He said the group works with SEMCOG and is frequently in the area.

Commissioner Parker asked about the project cost. Director Phifer said the cost was \$69,620.

Commissioner Marans said it is important the Board be included in the survey process. Commissioner Hertel said Commissioner Quadrozzi had a good idea regarding adding fire pits to the boat launch site. Director Phifer said staff will work with AEW to incorporate a fire pit.

Motion carried unanimously.

7. Reports

D. Natural Resource Department

1. Approval – Eastern Massasauga Rattlesnake Certificate of Inclusion

Motion by Commissioner Marans, support by Commissioner Quadrozzi that the Board of Commissioners' approve the Certificate of Inclusion for the Eastern Massasauga Rattlesnake (EMR) Candidate Conservation Agreement with Assurances (CCAA) as recommended by Manager of Natural Resources and Regulatory Compliance Eric Ellis and staff.

Discussion: Mr. Ellis updated the Board on the Eastern Massasauga Rattlesnake (EMR) and its recent federal listing as Threatened under the Endangered Species Act. Mr. Ellis noted that the handouts the Board received were confidential and proprietary information due to the map locations of the Eastern Massasauga Rattlesnake within the parks.

Commissioner Hertel said the Metroparks had some of the best permanently protected EMR habitat in the region. When habitats are suitable for EMR they are also suitable for hundreds of other species of wildlife and indicative of excellent water quality and natural resources stewardship.

Commissioner Parker asked if there was adequate signage in the parks alerting patrons of the potential hazard for this snake. Director Phifer said there is signage in the parks. Director Phifer updated the Board about an incident that happened in one of the parks a couple of years ago involving a child that was bitten by an EMR because he was trying to protect the snake from her sister. Mr. Ellis said the EMR is not aggressive and most bites occur with young males on their dominant hand.

Motion carried unanimously.

E. Engineering Department

1. Report – Golf Course Cart Path Reconstruction

Motion by Commissioner McCarthy, support by Commissioner Marans that the Board of Commissioners' approve the transfer of funds from Fund Balance to complete the project in the amount of \$84,754 as recommended by Manager of Engineering Mike Brahm-Henkel and staff.

Discussion: Mr. Brahm-Henkel said additional funding from the Fund Balance is necessary for completion of the project based upon the engineer's estimate, which is projected to be over budget by \$84,754. He said at the Aug. 11, 2016 Board meeting, a contract was awarded to replace the failing cart paths at the Stony Creek golf course in the amount of \$1,278,601.50. During construction, additional quantities of stone, drain tile, asphalt, topsoil, and seed were necessary for the cart path construction. The added quantity was the result of having to build up certain areas of the paths to a higher elevation, add additional subsurface drain tile, as well as additional material to blend in the side slopes of the cart paths into the existing contours of the course. The blending of the side slopes was necessary to provide a gentler transition from the cart path edge to the existing ground surface.

This additional work represents an overage of 6.63 percent of the total contract amount. The overage is based on the engineer's projection of the quantity of labor and materials necessary to complete the remaining work.

Motion carried unanimously.

8. Other Business

Manager of Engineering Mike Brahm-Henkel updated the Board on the SAW Grant received through the state of Michigan and the intent of the grant, which was to accelerate the statewide use of asset management planning practices as well as improve water quality. The SAW Grant covers three distinct areas, which include storm water, asset management, and wastewater. The construction costs associated with the grant are estimated at \$2.2 million dollars.

9. Staff Officer Update

Director Phifer shared his appreciation towards Jason Kulongowski and Garnett Potter with the employee association as well as the POAM for working together with staff on healthcare costs and working towards a solution.

Director Phifer thanked Controller Franchock and the accounting staff for the work done on the 2017 budget and the Board for supporting the recommended 2017 budget.

Commissioner Hertel said having a good relationship with the associations is important.

10. Commissioner Comments

Commissioner Hertel said he recently had lunch with Commissioner Williams and said that while he will miss Commissioner La Belle, he is impressed with Commissioner Williams and his background.

Commissioner Parker said it was an important week as the nation voted for a new president and said it is important that we (the Metroparks) continue to bring people together.

11. Motion to Adjourn

Motion by Commissioner Quadrozzi supported by Commissioner Parker that the Board of Commissioners' adjourn the regular meeting.

The meeting adjourned at 12:17 p.m.

Respectfully submitted,



Shawn M. Athayde
Recording Secretary