

Minutes
Huron-Clinton Metropolitan Authority
Board of Commissioners
Thursday, December 10, 2015

The regular meeting of the Huron-Clinton Metropolitan Authority's Board of Commissioners was held at 10:30 a.m. on Thursday, December 10, 2015 at the Administrative Office

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| Commissioners Present: | John C. Hertel Robert W. Marans Bernard Parker Jaye Quadrozzi John E. La Belle |
| Staff Officers: | |
| Director | George Phifer |
| Controller | Rebecca Franchock |
| Absent: | |
| Commissioner | Anthony V. Marrocco |
| Commissioner | Timothy J. McCarthy |
| Other Attendees: | |
| Ron Liscombe with Miller, Canfield, Paddock and Stone, PLC | |

Chairman Hertel called the Dec. 10, 2015 meeting to order at 10:31 a.m.

Chairman's Statement

Chairman Hertel said he welcomed the unusually warm December weather and that it has been good for revenue, especially after the past two winters with record-breaking snow and cold.

1. Public Comments

None.

2. Minutes – Nov. 12, 2015 Regular Meeting

Motion by Commissioner Marans, supported by Commissioner Parker that the Board of Commissioners' approve the Nov. 12, 2105 public hearing, regular meeting and closed session minutes as presented.

Motion carried unanimously.

3. Approval – Dec. 10, 2015 Agenda

Motion by Commissioner Quadrozzi, supported by Commissioner Marans that the Board of Commissioners' approve the Dec. 10, 2015 agenda as presented.

Motion carried unanimously.

4. Approval – Dec. 10, 2015 Consent Agenda

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

- a. Financial Statements and Payment Register (Vouchers) – November 2015
- b. Monthly Appropriation Adjustments – November
- c. Purchases
 1. Police Vehicles, various Metroparks
 2. Maintenance Vehicles, various Metroparks
 3. Electric Signage, Kensington, Lower Huron and Lake St. Clair Metroparks
- d. Update – Purchases over \$10,000

- e. Approval – 2015 Property Tax Levy Adjustments
- f. Approval – Workers Compensation Insurance Renewal
- g. Approval – MMRMA Member Self Insured Retention Fund Payment
- h. Approval – High Deductible Plan Employee Cost Offset Payment
- i. Report – Emergency Electrical Repair, Lake St. Clair Metropark

Motion carried unanimously.

Regular Agenda

6. Legislative Report

Motion by Commissioner La Belle, supported by Commissioner Quadrozzi that the Board of Commissioners' receive and file the Legislative Report as submitted by Consultant George Carr.

Discussion: Legislative Consultant George Carr reported that the has Legislature returned from Thanksgiving break and extended adjournment for the year from Dec. 10 to Dec. 17.

Commissioner Hertel asked if there as anything the Metroparks needed to be concerned about. Mr. Carr said no, the opposite – that there would be opportunities for the Metroparks. Commissioner Marans asked what types of opportunities. Mr. Carr said opting out of TIFAs and DDA exemptions.

Commissioner La Belle asked if the Legislature has realized it is losing 6 cents on gasoline taxes from the general fund because of the transportation tax. Mr. Carr said not at the moment. He also said the healthcare tax, which is passed through to the Metroparks through Blue Cross Blue Shield (BCBS) essentially helps pay for transportation funding (this is a hidden cost for the Metroparks).

Motion carried unanimously.

7. Reports

A. Administrative Office

1. Approval – Recommended 2016 Fund Balance Designation

Motion by Commissioner Marans, supported by Commissioner Quadrozzi that the Board of Commissioners' approve the 2016 Fund Balance Commitments and Assignments in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54 as recommended by Controller Franchock and staff.

Discussion: Controller Franchock updated the Board on the GASB fund balance requirements and classifications. The Metroparks are required to report fund balance allocated to five categories, which include non-spendable, restricted, committed, assigned and unassigned. Ms. Franchock indicated said the categories are determined based on spending restrictions associated with the funds and the Board is required to approve the committed and assigned fund balance.

Commissioner La Belle said the Board and staff has gotten into the pattern of setting an annual budget and then having to go back and reallocate money. He said projects are budgeted and then not completed and the fund balance is not what was reported at budget time. For 2015, the fund balance was supposed to go down to \$29 million, and now it's at \$36 million.

Motion carried unanimously.

2. Approval – Miller Canfield Contract Renewal

Motion by Commissioner Quadrozzi, supported by Commissioner Marans that the Board of Commissioners' (1) approve renewing Miller Canfield as legal counsel for

2016 and; (2) approve a \$7,500 per month retainer fee (\$82,500 per year) and up to a 4 percent annual inflationary fee as recommended by Director Phifer and staff.

Discussion: Director Phifer reiterated the good working relations with Miller Canfield and that he recently met with Steve Mann to discuss costs and needs for the organization. Director Phifer said fees would increase 10 percent for 2016 and thereafter there would be a 4 percent annual inflationary fee.

Commissioner Hertel said the Metroparks received a generous deal when Miller Canfield came back on as general counsel.

Commissioner Parker asked if there was a term-limit for the contract. Director Phifer said it's an annual contract with automatic renewal; however, there is a termination clause.

Commissioner Marans asked what determines the 4 percent inflationary rate. Ron Liscombe with Miller Canfield replied that Miller Canfield anticipates 4 percent to be the maximum amount and that the fee would be up to 4 percent.

Commissioner La Belle said he appreciated Miller Canfield recommending a good law firm for the Board when they had to recuse themselves from a lawsuit filed against the Metroparks due to a conflict of interest.

7. Reports

A. Administrative Office

3. Approval – Media Relations Specialist/Communications Dept. Restructure

Motion by Commissioner Parker, supported by Commissioner Quadrozzi that the Board of Commissioners' (1) approve hiring a Media Relations Specialist; and (2) authorize staff to restructure the existing Communications department, in order to maximize our existing resources, and eliminate duplication of job duties, responsibilities and assignments.

Discussion: Director Phifer said at the Nov. 12, 2015 Board meeting, staff was asked to look into hiring a media/public relations and/or a community outreach coordinator to address concerns related to public relations. Director Phifer said staff recommends hiring a Media Relations Specialist and the position would have a dual function, focusing on media relations and community outreach. After conversations with Board members, Director Phifer said he wanted to increase the salary range to \$65,000 - \$75,000. Director Phifer said he also wanted to realign and restructure the communications department in order to eliminate duplicate job functions.

Commissioner Hertel said staff needed to hire a person that has well-established conditions and contacts and is concerned the salary level is too low.

Commissioner La Belle said if \$10,000 stops us from hiring an appropriate person, staff should come back to the Board with a higher salary recommendation. Director Phifer said staff could expand the rate by \$10,000 and still bring a recommendation back to the Board.

Commissioner Marans said he would like to see a job description. Commissioner Hertel said there was a lot in the job description.

Commissioner Parker said he was glad there was a reporting factor for the community outreach portion of the position and that many of the media aspects could be handled in-house, but feedback was important.

8. Other Business

Commissioner Hertel said he believes Director Phifer's service in the three positions has held during the past year has been exemplary and that the Board needs to look at his salary and give him the 1 percent increase he did not receive at the beginning of the year.

Motion by Commissioner La Belle, supported by Commissioner Parker that the Board of Commissioners' approve a 1 percent increase for the director retroactive to the date he was appointed director.

Motion carried unanimously.

9. Staff Officer Update

1. Administrative Redesign Project

Director Phifer updated the Board on a meeting he had with Commissioners Marans and Craig Borum, an architecture professor at the University of Michigan regarding redesigning the administrative office and the potential for building a new office on existing property owned off Kent Lake Road. Director Phifer said the students were agreeable to looking at the current administrative office and property. The project would also give the students real world experience working with an organization like the Metroparks. Director Phifer said the students would conduct site visits in January; provide feedback in February and present recommendations and designs to the Board in late March or early April. He said the project budget is \$12,000, which includes \$2,000 in lab fees and \$10,000 for employment fees for students. Funds for the project would come from the \$500,000 administrative office expansion approved by the Board in the 2016 annual budget at the Nov. 12, 2015 meeting.

Commissioner Marans said this student-run project would be a good, low cost opportunity to generate ideas for a new building and the site. Once the Board decided to move forward, an architectural firm would be selected to carry out the proposed work.

Commissioner La Belle asked if the students had an architect they could work with as it would save money if everything was included in the project.

Commissioner Parker asked if the group was looking at new construction or evaluating the administrative office redesign. Director Phifer said the students would be looking at all options. Commissioner Parker also said the students should look at energy efficient options for the administrative office redesign as well as for new construction.

Commissioner Quadrozzi said she would still like to make commission meetings more accessible to the public. Director Phifer said the IT department is looking into options for streaming the meetings.

Motion by Commissioner Marans, supported by Commissioner Quadrozzi that the Board of Commissioners' approve the recommendation of Director Phifer and move forward with Administrative Office redesign project with the University of Michigan.

Motion carried unanimously.

9. Staff Officer Update

2. Farmland Lease Procedure Update

Motion by Commissioner La Belle, supported by Commissioner Quadrozzi that the Board of Commissioners' (1) acknowledge staff transparency regarding the process; and (2) receive and file the Farmland and Lease Procedure Update as presented by Natural Resources and Environmental Compliance Manager.

Discussion: Natural Resources and Compliance Manager Paul Muelle said at the Feb. 12, 2015 Board meeting, staff provided the updated farmland property lease procedures for approval, which would take effect for the 2016 farming season. A Request for Proposals (RFP) was posted Oct. 30, 2015 and proposals were received Dec. 1, 2015 with eight respondents to the RFP. In 2015, a total of 625 acres of farmland was under lease with \$46,875 received in revenue. In 2016, 531 acres of farmland will be leased for an estimated \$43,350 in revenue. Farmland acreage in 2016 will decrease by 90 acres due to grant activities at Wolcott Mill.

Commissioner Parker asked if staff rotated the crops. Mr. Muelle said the Metroparks do not control what crops are planted and that the farmers decide which crops to plant.

Commissioner Hertel thanked Director Phifer and Mr. Muelle for updating the lease agreements.

Commissioner Marans requested a written copy of the report.

Motion carried unanimously.

3. Draft Horse Purchase for Kensington and Wolcott Mill Farm Centers

Motion by Commissioner Quadrozzi, supported by Commissioner Marans that the Board of Commissioners' authorize staff to purchase two teams of draft horses for the Kensington and Wolcott Mill Farm Centers as recommended by Director Phifer and staff.

Discussion: Director Phifer updated the Board on issues staff has had with draft horses at the farm centers at both Kensington and Wolcott Mill Metroparks. Director Phifer requested Board support to replace existing draft horses as well as purchasing new draft horse teams with the assistance of Commissioner Hertel.

Commissioner Hertel said he has donated several horses to Wolcott Mill including one miniature horse. He said there are many reputable places in Michigan to find reliable draft horses and that the Amish community was good at breeding and trading horses. Mr. Hertel also said it is very important to have horses that are safe and used to being around people.

Director Phifer said Molly Bell was also looking for donors to offset the cost.

Commissioner Marans asked what the difference was between a regular horse and a draft horse. Commissioner Hertel said draft horses were originally warhorses and bred to carry knights into battle. Once they were no longer needed for battle, the horses were turned into farm horses. Draft horses weigh more than 2,000 pounds at maturity, are docile and do not have a long lifespan.

Commissioner Parker asked what Director Phifer was requesting of the Board. Director Phifer said he wanted the Board's approval to purchase two teams of draft horses for both the Kensington and Wolcott Mill farm centers. He said money is available in the 2015 budget and that it would carry over to the 2016 budget and the cost should not exceed \$25,000. Commissioner Hertel did not expect the cost to be more than \$15,000 to purchase two teams of draft horses.

Motion carried unanimously.

4. Director Phifer handed out a list of holiday programs at the Metroparks and encouraged everyone to attend Heritage Holidays at historic center at Wolcott Mill Metropark. He said the opening weekend (Dec. 4 and 5) was a success and thanked Katie Kowalski, volunteer services supervisor, and Susan Schmidt, agriculture coordinating supervisor on a job well done.

5. Director Phifer thanked the Board of their commitment to the Metroparks in 2015, appreciated the comments and suggestions during the pre-board meetings and looks forward to working with commissioners in 2016.

10. Commissioner Comments

Commissioner La Belle wished everyone happy holidays.

Commissioner Parker said he would like to see the official evaluation process for the director and the salary recommendations. Commissioner Hertel said they (the Board) would need to refer to the contract for the evaluation process.

Commissioner Parker also wished everyone happy holidays and said that he is quite happy that the United Auto Workers (UAW) adopted the charter school he runs and that all the children will be receiving new tablets for Christmas.

Commissioner Marans said he would like a formalized process for evaluating staff officers.

Commissioner Quadrozzi expressed her gratitude for receiving the weekly "Five Good Things" emails.

11. Motion to Adjourn

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

The meeting adjourned at 11:29 a.m.

Respectfully submitted,



Shawn M. Athayde
Recording Secretary