

**ADVANCED AGENDA**  
**Huron-Clinton Metropolitan Authority**  
**Board of Commissioners Meeting**  
**August 12, 2010, 10:30 A.M.**

**Metro Beach Metropark, Thomas S. Welsh Activity Center**

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1. Chairman's Statement
2. Public Participation
3. Minutes – July 8, 2010 (pg. 1)
4. Financial Statements – July 2010
5. Vouchers – July 2010
6. Purchases – July 2010 (pg. 11)
7. Reports
  - A. Stony Creek
    1. Bids – Main Park road construction – Phase V (pg. 13)
    2. Change Order No. 2 – Eastwood Beach column and roof repairs (pg. 15)
    3. Lifeguard recognition (pg. 17)
  - B. Kensington
    1. Bids – Main Park road reconstruction – Phase IV (pg. 19)
    2. Bids – Hike/Bike Trail pedestrian bridge painting and steel repairs (pg. 21)
    3. Report – MDOT storm water detention basin, I-96 and Kent Lake Road (pg. 23)
    4. Proposal – LEED certification, Golf Starter Building replacement (pg. 25)
  - C. Dexter-Huron
    1. River Terrace Trail Agreement, proposed terms (pg. 27)
  - D. Lower Huron
    1. Bids – Main Park road resurfacing (pg. 29)
  - E. Administrative Office
    1. Bids – Road and Hike/Bike Trail pavement crack filling, various parks (pg. 31)
    2. 2011 Tax Levy report (pg. 33)
    3. HCMA 457 Deferred Compensation Plan Restatement (pg. 47)
    4. Liquor licenses at Metro Beach, Stony Creek and Indian Springs (pg. 95)
    5. Report – Sustainability (pg. 99)
    6. Report – Deer management (pg. 101)
    7. Report – Medicare Part D Subsidy (pg. 105)
    8. Donations (4) (pg. 107)
    9. Legislative report (pg. 109)
8. Park/Department Presentations –
  - a. Human Resources
  - b. Metro Beach
9. Director's comments
10. Commissioners' comments
11. Motion to adjourn

*The South Marina dedication will immediately follow the Board of Commissioners meeting.*

The next regular Board of Commissioners meeting will be held on Thursday, Sept. 9 at 10:30am, at Lake Erie Metropark.





## HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
From: Gregory Almas, Executive Secretary  
Subject: July 8, 2010 Minutes  
Date: August 12, 2010

Please note the following proposed emendation to the July 8, 2010 proposed Board of Commissioner minutes, Item 9, Commissioner comments.

*Commissioner Marrocco commented favorably that 2010 attendance is up, as is revenue, at all the Metroparks. He observed and questioned, however, why 2010 golf rounds are up but that there is a reduction in golf revenues for the same time period.*

**Recommendation:** That the Board of Commissioners' approve the minutes for the July 8, 2010 regular meeting as submitted by Executive Secretary Almas and staff.



**MINUTES  
BOARD OF COMMISSIONERS MEETING  
HURON-CLINTON METROPOLITAN AUTHORITY  
THURSDAY, July 8, 2010**

The regular meeting of the Huron-Clinton Board of Commissioners was held at 10:30am on Thursday, July 8, 2010 at the Farmhouse Grille at Kensington Metropark. The meeting was convened in pursuance to a call thereof by the Executive Secretary and due notice to the HCMA Board of Commissioners.

Present:      **Commissioners:**      John E. La Belle  
Harry E. Lester  
Robert W. Marans  
Anthony V. Marrocco  
Peter S. Walters  
John C. Hertel

**Staff Officers:**

Director	Jayne S. Miller
Deputy Director	David C. Moilanen
Executive Secretary	Gregory J. Almas
Controller	David L. Wahl

**Others:**

Legislative Consultant	George C. Carr
Land Consultant	Wayne Feters

Absent:      Commissioner      Warren C. Evans

The meeting was called to order by Chairman Lester at 10:30 am

**1. Chairman's Statement**

Chairman Lester commented favorably regarding the exciting changes occurring at the Metroparks citing the Strategic Planning and Organizational Committees as examples. He requested staff to consider the reasons to change as opposed to the reasons not to change.

**2. Public Comments**

Larry Noodén, Clinton Huron Environmental Coalition (CHEC) commented favorably on the numbers of visitors using the hiking trails and nature areas at the Metroparks citing the greater recreational value of walks in a natural environment versus an urban environment.

Chairman Lester stated he received numerous calls complimenting the Metroparks firework displays.

**3. Minutes – June 2010**

It was moved by Commissioner Marans, supported by Commissioner Walters that the minutes for the June 10, 2010 regular meeting be approved as submitted.

Motion carried unanimously.

**4. Financial Statements – June 2010**

It was moved by Commissioner Marrocco, supported by Commissioner Marans that the financial statements for June 2010 be approved as submitted.

Motion carried unanimously.

## **5. Vouchers**

It was moved by Commissioner LaBelle, supported by Commissioner Walters that the vouchers for June 2010 (0210901 through 0211523) be approved as submitted.

Motion carried unanimously.

## **6. Reports**

### **A. Metro Beach**

#### **1. Proposal – Initial Assessment Report and Investigation, Service Area UST Release**

Chief Engineer Arens reported the engineering firm of Fishbeck, Thompson, Carr & Huber, Inc. (FTCH) was retained to provide compliance services during excavation and removal of two existing composite fiberglass underground fuel storage tanks (USTs) at the Park Service Area at Metro Beach Metropark.

Arens said laboratory analysis of samples taken from the site indicated the presence of groundwater contaminants slightly above regulatory limits which it is suspected were the result of a confirmed release of former USTs which were removed in 1990.

Arens reported the presence of contaminants required that a confirmed release report be submitted to the Michigan Department of Natural Resources & Environment (MDNRE) and that HCMA is required to retain a qualified environmental consultant to oversee compliance activities.

It was moved by Commissioner Marans, supported by Commissioner Walters that the proposal from Fishbeck, Thompson, Carr & Huber, Inc. dated June 25, 2010 in the total estimated amount of \$29,540 be accepted, and that an appropriation from Reserves to the Metro Beach Operations Account (802.95-924) be made as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

#### **2. Michigan Boating Industries Association Request**

Mr. Van Snider, President, MBIA addressed the Board of Commissioners regarding the upcoming Boating and Outdoor Recreation Festival to be held September 22-26, 2010 at Metro Beach Metropark.

Snider said the MBIA has a long history of producing family-oriented events and would like to provide an enhanced eating experience by allowing restaurants from the area to provide a "Taste of Boat Town." He requested the Commission approve that beer and wine be sold at the event as a one-year trial.

Snider presented letters of support for the sale of beer and wine for the event from Mr. Anthony Forlini, Supervisor for the Charter Township of Harrison, Mr. Stephen Cassin, AICP, Executive Director, Macomb County Planning and Economic Development and Ms. Barb Dempsey, Mayor of the city of Mt. Clemens.

It was moved by Commissioner Hertel, supported by Commissioner Marans that beer and wine sales be permitted for the 2010 Boating and Outdoor Recreation Festival at Metro Beach Metropark provided the MBIA provides appropriate proof of insurance and indemnifies the Authority against loss and that sales and consumption be restricted to certain specified areas.

Voting yes:	Commissioners Hertel, Lester, Walters, La Belle, Marans
Voting no:	Commissioners Marrocco
Absent:	Commissioner Evans

Motion carried.

## **B. Stony Creek**

### **1. Proposal – Engineering Design Services, Water and Sanitary Sewer System Renovations**

Chief Engineer Arens reported that Anderson, Eckstein & Westrick, Inc. (AEW) was retained to provide preliminary engineering services for the Water and Sanitary Sewer System Revision project at Stony Creek Metropark.

Arens provided a summary of AEW's evaluations and recommendations' reporting the total estimated cost for the water main replacement is \$284,000 and the total estimated cost for the sewer project is \$271,000 for a total project cost estimate of \$555,000.

Arens also reported the complication of multiple jurisdiction governances, imminent road construction, confirmation of sewer capacities and other issues.

Arens presented a proposal from AEW to provide engineering services for a project to repair certain portions of the water and sewer system and to assist HCMA in developing the appropriate service agreements.

It was moved by Commissioner Marrocco, supported by Commissioner Hertel that the Board of Commissioners accept the proposal from Anderson, Eckstein and Westrick, Inc. to provide engineering design services at their standard hourly rates for the total estimated amount of \$25,900 in accordance with their June 25, 2010 proposal, and that funding for these services be provided through the Authority's Supplemental Major Maintenance Reserve Account, as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

## **C. Kensington**

### **1. Proposal – Initial Assessment Report and Investigation, Service Area UST Release**

Chief Engineer Arens reported the engineering firm of Fishbeck, Thompson, Carr & Huber, Inc. (FTCH) was retained to provide compliance services during excavation and removal of three existing composite fiberglass underground fuel storage tanks (USTs) at the Park Service Area at Kensington Metropark.

Arens said laboratory analysis of samples taken from the site indicated the presence of groundwater contaminants above regulatory limits which it is suspected were the result of a confirmed release of former USTs which were removed several decades ago.

Arens reported the presence of contaminants required that a confirmed release report be submitted to the Michigan Department of Natural Resources & Environment (MDNRE) and that HCMA is required to retain a qualified environmental consultant to oversee compliance activities.

It was moved by Commissioner Walters, supported by Commissioner Marans that the proposal from Fishbeck, Thompson, Carr & Huber, Inc. dated June 29, 2010 in the total estimated amount of \$52,950 be accepted, and that an appropriation from Reserves to the Kensington Operations Account (804.95-924) be made as recommended by Chief Engineer Arens and staff.

Motion carried unanimously

## **6. Reports**

### **C. Kensington**

#### **2. Report – Status update, Golf Starter Building Replacement Conceptual Design**

Chief Engineer Arens reported the architectural firm of Lindhout Associates has completed preliminary design services for the Kensington Metropark Golf Starter Building and Plaza Replacement project.

Arens said the preliminary cost estimate for the project is \$1,577,000 and includes as a deductive alternative, a 1450 square-foot addition to the cart barn and electrical distribution system.

Mr. Piet Lindhout reported the proposed building will be very attractive, functional and cost-effective; will be constructed of quality, high-durability materials; includes sustainable design principles throughout the project; and will feature natural materials such as wood timber and accents, as well as other materials selected for sustainability and energy efficiency.

Commissioner Marans suggested the cost for LEED certification be investigated and considered.

It was moved by Commissioner La Belle, supported by Commissioner Walters that the Board of Commissioners authorize staff to proceed with design of the Golf Starter Building and Plaza Replacement project through advertisement for bids as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

#### **3. Intergovernmental Agreement – Police Dispatch Communications Services**

Chief of Police, George Phifer presented an intergovernmental agreement whereby Livingston County would provide central dispatch services, provide personnel to answer the 9-1-1 phone system, and provide Law Enforcement Information Network (LEIN) and National Crime Information Center (NCIC) services for the Police Department at Kensington Metropark.

It was moved by Commissioner La Belle, supported by Commissioner Walters that the Board of Commissioners approve the Intergovernmental Agreement – Police Dispatch Communication Services as recommended by Chief of Police George Phifer and staff.

Commissioner La Belle stated that Livingston County welcomed the opportunity to provide dispatch services for Kensington Metropark.

Motion carried unanimously.

### **D. Lake Erie**

#### **1. Report – Wave Pool Motor Emergency Repairs**

Chief Engineer Arens reported that on May 27, two of the three 100-hp electric motors which power the wave generating system at the Lake Erie Wave Pool failed and that due to the emergency nature of the work, Director Miller, with the approval of Chairman Lester authorized staff to proceed with the repairs at the cost of \$16,597 in accordance with Section XV (c) of the HCMA Bylaws as amended June 18, 2009.

It was moved by Commissioner Marrocco, supported by Commissioner Walters that the Board of Commissioners receive and file this report as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.



## **6. Reports**

### **E. Administrative Office**

#### **1. Report – Camping**

Deputy Director David Moilanen reported staff continues to explore and initiate opportunities for family and individual camping opportunities at several locations within the Metroparks. In light of the difficult economic circumstances and declining property tax revenues, he said staff is implementing alternative camping opportunities that result in minimal additional costs.

Moilanen provided an informational sheet which outlines the current group camping facilities within the Metroparks including recent attendance figures, additional family camping events that have been conducted in 2009 or have been scheduled for 2010, and identifies possible sites and types of camping that are being explored by staff.

He said staff is also researching opportunities for establishing and operating unscheduled season-long camp grounds for 2011; focusing on modifying parts of existing group camps at Wolcott Mill, Kensington, Hudson Mills and Lower Huron to provide family/individual tent camping; and developing hike-in back country camping at Wolcott Mill, Stony Creek and on the recently acquired Schmitt Lake property at Indian Springs.

Commissioner Walters stated he had no issue with an even more aggressive camping approach in Wayne or Macomb counties, but that Oakland County has underutilized campgrounds and would want further discussion before significant expansion in Oakland County.

Commissioner Marans commented the special camping events should be systematically evaluated to determine those events that generate significant interest.

Director Miller concurred indicating intent to provide thematic camping events with periodic reports to the Board.

Commissioner Lester commented on the lack of camping opportunities in Wayne County and that Lower Huron Metropark would be a good location for camping.

It was moved by Commissioner Marans, supported by Commissioner Marrocco that the Board of Commissioners receive and file the camping report and that staff continue to study future camping opportunities at the Metroparks.

Motion carried unanimously.

#### **2. Report – Spring Auction**

Purchasing Manager Scott Michael reported the auction held on Saturday, June 12 at Huron Meadows Metropark was very well attended with more than 310 registered bidders and 190 lots sold and that the net proceeds to the Authority was \$152,359.50.

It was moved by Commissioner Walters, supported by Commissioner Marrocco that the Board of Commissioners receive and file this report as prepared by Purchasing Manager Scott Michael and staff.

Motion carried unanimously.

#### **3. Donations**

It was moved by Commissioner Marans, supported by Commissioner Walters that the following donations be accepted and that a letter of appreciation be sent to the donors.

- A \$200 donation of a memorial tulip tree for the Administrative Office made by Dave Wahl.
- A \$250 donation for "Wear the Gear" made by Gregory Surmont.
- A \$250 donation for "Wear the Gear" made by McGraw Wentworth.

- A Reflections of Kensington art piece made by Michelle Olzack for use at the Kensington Park office.
- A \$300 bench donation made by Rose Harding for use at Stony Creek.
- A \$350 Red Maple tree donation made by Sandy Miller for use at Hudson Mills.
- A \$350 bench donation made by William Arlow for use at Lake Erie.
- A \$475 picnic table donation made by Elaine Neelands for use at Hudson Mills.
- A \$1500 donation for five benches made by Lawrence Larson for use the Indian Springs Nature Center/Farmland trail.
- A \$2000 donation to be used for the disc golf course and scorecards, course maintenance and as compensation for use of the special toboggan hill disc golf course made by Discraft.

Motion carried unanimously.

#### **4. Report – 2<sup>nd</sup> Quarter, 2010 Appropriation Adjustments**

Controller David Wahl reported \$285,600 in General Fund appropriation adjustments of which \$211,000 represent funds transferred between accounts, appropriations totaling \$74,600 made from the General Funds Reserve for Future Contingencies account and appropriations totaling \$42,700 returned to the Reserve for Future Contingencies account.

It was moved by Commissioner La Belle, supported by Commissioner Marrocco that the Board of Commissioners approve the above appropriation adjustments as recommended by Controller Wahl and staff.

Motion carried unanimously.

#### **5. Legislative report**

Legislative consultant George Carr reported a bill expanding Public Act 312 Binding Arbitration passed both the state House and Senate expanding binding arbitration to include, but not limited to, authorities, districts, or boards whether these entities were created by statute, ordinance, contract, delegation, resolution, or other mechanism.

Carr said the bill also exempts the state from paying for any portion of the arbitration and transfers the additional cost to the participating unions and local governmental agencies.

Commissioner Walters left the meeting room.

It was moved by Commissioner Marans, supported by Commissioner Hertel that the Board of Commissioners receive and file the legislative report.

Motion carried unanimously.

Commissioner Walters returned to the meeting room.

#### **8. Park/Department Presentation – Natural Resources**

Chief of Natural Resources, Paul Muelle presented a review of the Natural Resources Department's responsibilities including arboriculture, construction projects, storm clean up, eco-system management, habitat restoration, wildlife management, water resources management, natural resources mapping, management plans, invasive species control, volunteer work days and projects, prescribed burns, sustainability programs, environmental compliance and other responsibilities.

Commissioner Hertel commented the presentation was extremely impressive and that the media and public are under-informed and should be made aware. He also commented on the lack of diversity in the volunteers.

Commissioner Marans concurred that the presentation was excellent and needs to be publicized.

#### **9. Director's comments**

Director Miller commented that the board packets have been revised for clarity, ease of use and two-sided copy to further resource conservation efforts; future agendas will continue staff presentations and topic suggestions by the Board are appreciated; the Special Parks District Forum (SPDF) which took place in Charleston, South Carolina was informative including visits to a dog park, water facilities and campgrounds; Commissioners' La Belle and Marrocco attendance at the DSO concerts was appreciated; the Detroit Institute of Arts (DIA) will begin displaying reproduction art exhibits at two Metroparks; a collaborative partnership meeting was held with representatives from the five county parks and recreation departments with future meetings planned; Commissioner Marans, Chief Planner Nyquist and she met with representatives of Detroit regarding the potential of future Metroparks involvement within the city, future meetings are planned and a status report will be presented to the Board in six months; the Strategic Planning and Organizational Restructuring efforts will be wrapped up by the beginning of September for 2011 budget consideration and that a Board work session is suggested for sometime in August or September.

#### **10. Commissioners' comments**

Commissioner Walters commented favorably regarding Chief of Natural Resources Muelle's report and observed there is remarkable diversity in Kensington Metropark users on weekends.

Commissioner La Belle commented in favor of a dog park at Stony Creek Metropark.

Commissioner Marrocco commented now that beer and wine sales will be allowed, the Metroparks should approach the organizers of the ethnic festivals which previously used the Freedom Hill venue for possible festivals at the Metroparks.

Commissioner Marrocco commented favorably that 2010 attendance is up, as is revenue, at all the Metroparks. He observed and questioned, however, why 2010 golf rounds are up but that there is a reduction in golf revenues for the same time period.

Director Miller noted the extreme competition for golfers in Southeast Michigan and resulting discounting to retain customers.

Commissioner Lester stated golf fees should be lowered.

Commissioner Marans observed the very diverse population of Metropark users at Lower Huron Metropark on July 3. He also requested a report be presented at the October Board meeting regarding the effect of beer and wine sales at the Metro Beach Boat and Outdoor Recreation festival.

#### **11. Motion to Adjourn**

It was moved by Commissioner Hertel, supported by Commissioner Marans that the Board of Commissioners adjourn the regular meeting.

The meeting adjourned at 12:14 PM.

Respectfully submitted,



Gregory J. Almas  
Executive Secretary





# HURON-CLINTON METROPOLITAN AUTHORITY

6  
Meeting of Aug 12, 2010

To: Board of Commissioners  
From: Maria van Rooijen, Buyer  
Project No: ITB-10-032  
Project Title: 2011 Annual Permits  
Location: All Metroparks  
Date: August 12, 2010

Bids Opened: Tuesday, July 27, 2010 at 2:00pm

Scope of Work: Print, pad, package and deliver Huron-Clinton Metroparks 2011 Annual vehicle, boat, regular, employee and senior citizen permits including the combination permit with Oakland County. The total quantity to be printed is 172,000.

VENDOR	CITY	AMOUNT
Whitlam Label Company	Center Line	\$13,913.11
Dri Stick Decal (dba Rydin Decal)	Streamwood, IL	\$15,308.00
ID Enterprise	Livonia	\$15,336.00

INVITATION FOR BIDS WERE POSTED ON MICHIGAN INTER GOVERNMENTAL WEBSITE AND WAS SENT TO 143 REGISTERED SUPPLIERS.

**Recommendation:** that the Board of Commissioners award ITB-10-032 to the lowest responsive, responsible bidder, Whitlam Label Company in the amount of \$13,913.11 as recommended by Buyer, Maria van Rooijen and staff.





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Michael Arens, Chief of Engineering  
 Project No: 509-10Y  
 Project Title: Main Road Reconstruction Phase V  
 Project Type: Capital Improvement  
 Location: Stony Creek Metropark, Macomb County  
 Date: August 12, 2010

Bids Opened: Thursday, July 22, 2010 at 2:00pm

## Scope of Work:

Reconstruction of approximately 0.6 mile the main park road from approximately the South Dam to the Eastwood Beach entrance, to include bituminous crushing, shaping, asphalt surfacing (approximately 2,200 tons of bituminous mix), culvert replacement, pavement marking, site restoration, provisions for full-road closure (except access to Boat Launch area) during construction, and related work. Existing road base and surface are deteriorating and failing. Project is phase five of a multi-phase project to resurface and/or reconstruct the main park road, which was originally constructed in the early 1960s.

<u>Contractor</u>	<u>City</u>	<u>Amount</u>
1. Pro-Line Asphalt Paving Corporation	Washington	\$201,712.43
2. James P Contracting, Inc.	Washington	\$211,627.75
3. Total Asphalt Paving, Inc.	Washington	\$219,438.29
4. ABC Paving Company	Trenton	\$220,229.00
5. Florence Cement Company	Shelby Township	\$221,218.00
6. Future Building & Construction Sales, Inc.	Washington Twp.	\$228,260.00
7. Ajax Paving Industries, Inc.	Troy	\$235,261.10

Total Budget Amount for Contract Services and Administration	\$250,000.00
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## Proposed Work Order Amount

Contract Amount – Pro-Line Asphalt Paving (Rounded)	\$202,000.00
Contract Administration plus Force Account Work	<u>\$ 10,000.00</u>
Total Proposed Work Order Amount	\$212,000.00

Funds to be returned to Reserve Account	\$ 38,000.00
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The following contractors obtained bidding documents but did not submit a proposal:  
 Dynasty Paving, Washington

**Recommendation:** That the Board of Commissioner award contract No. 509-10Y to the lowest responsive, responsible bidder, Pro-Line Asphalt Paving Corporation in the amount of \$201,712.43 and that \$38,000.00 of Capital Improvement funds be returned to the Reserve Account as recommended by Chief Engineer Arens and staff.







# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Michael Arens, Chief Engineer  
 Subject: Change Order No. 2  
 Project No: 709-09T  
 Project Title: Eastwood Beach Bathhouse Roof Structure Repairs  
 Location: Stony Creek, Macomb County  
 Date: August 12, 2010

On March 11, 2010 the Board of Commissioners awarded a contract to repair the roof structure of the Eastwood Beach Bathhouse at Stony Creek. The purpose of the contract was to repair damaged concrete roof support columns, repair deteriorated concrete waffle-slab roof, replace roof membrane, repair failing electrical and lighting systems in the roof structure, and selectively remove portions of the roof structure and add skylights to improve lighting conditions. The contract was awarded to Bernco, Inc. in the amount of \$252,800.00.

Construction is currently in progress. At this time, four of the damaged columns have been replaced, selective removal of roof areas is complete, structural repairs of the roof have been made, construction of new roofing membrane is nearly complete, skylight installation is in progress and electrical and lighting work is nearing completion. The project is expected to be substantially complete by September 10, 2010.

Changes have been necessary due to conditions encountered during the course of the contract. Change Order No. 1 was previously authorized within the Director's approval limit, as follows:

<u>Description</u>	<u>Justification</u>	<u>Amount</u>
Pressure grout crack in roof structure, phase 1	Unforeseen condition	\$ 9,700.00

This proposed Change Order No. 2 includes the following items, justification and amount:

<u>Description</u>	<u>Justification</u>	<u>Amount</u>
Pressure grout crack in roof structure, phase 2	Unforeseen condition	\$ 4,650.00
Metal trim and flashing, roof skylights	Detail revision	\$ 3,941.00
Electrical revisions	Unforeseen condition	\$ 2,174.00
Roof metal flashing	Detail revision	\$ 7,327.00
Plaza concrete revisions	Unforeseen/ scope revision	<u>\$18,518.00</u>
Total, Change Order No. 2		\$36,610.00

Total Changes to date	
(Change Order No. 1 plus proposed Change Order No.2):	\$46,310.00

No appropriation from the Reserve Account will be necessary to fund these changes. Sufficient funds exist in the Stony Creek Major Maintenance Account due to favorable bids received on this project, included in the 2010 Budget at \$600,000 for construction services and approximately \$347,000 under the budget amount.

**Recommendation:** That the Board of Commissioners approve Change Order No. 2 to contract No. 709-09T in the amount of \$36,610.00 and that a transfer of funds in the amount of \$47,000.00 from the Stony Creek Major Maintenance Account to Work Order No. 709.74-S159 be made to cover change orders to date as recommended by Chief Engineer Arens and staff.





## HURON-CLINTON METROPOLITAN AUTHORITY

7 - A - 3  
Meeting of August 12, 2010

To: Board of Commissioners  
From: Michael G. Lyons, Stony Creek/Wolcott Mill Park Superintendent  
Subject: Lifeguard Recognition  
Date: August 12, 2010

On Tuesday, June 29, Stony Creek Lifeguards on duty at Baypoint Beach observed a 20-year-old female having difficulties in the water. They immediately responded to the victim, removed her from the water and connected her to an Automated External Defibrillator (AED). The AED advised "no shock, start CPR." The victim was in cardiac arrest and the Lifeguards initiated CPR with the aid of an off duty EMT from the Rochester Hills Fire Department, Alicia Klee, who was a patron at the beach. A water emergency was declared and the office immediately called Washington Township EMS. CPR was continued on the victim by the lifeguards and off duty EMT until Washington Township EMS arrived on the scene. Upon arrival, EMS initiated advanced life support and the victim's pulse was restored. The victim spent several days in the hospital in critical condition. She has since recovered and was recently released from the hospital.

The teamwork exhibited in this rescue from the initial response by the Lifeguards, the off-duty EMT to the Washington Township EMS was exceptional. At the scene, Washington Township Assistant Fire Chief, John Clark communicated to Metropark Police Lt. Randy Batzer how impressed he was with the excellent job the lifeguards did in handling this emergency. Any break in the chain of response and care would have resulted in a different outcome.

The Stony Creek Lifeguards were recognized at the Washington Township board meeting on July 21 with Certificates of Commendation for their involvement in this rescue. David Poterek, Washington Township Fire Chief presented the Stony Creek Lifeguards with their Certificates of Commendation.

The Lifeguards involved in this rescue were:

Lindsey Cindrich	Asst. Lifeguard Supervisor, 20, Shelby Twp.
Jeff Conn	Lifeguard, 20, Washington Twp.
Drew Matz	Lifeguard, 19, Shelby Twp.
Ryan Pinter	Lifeguard, 19, Rochester Hills

**Recommendation:** That the Board of Commissioners receive and filed this report as recommended by Park Superintendent Michael Lyons and staff.





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Michael Arens, Chief Engineer  
 Project No: 504-10D  
 Project Title: Main Park Road Reconstruction Phase IV  
 Project Type: Capital Improvement  
 Location: Kensington Metropark  
 Date: August 12, 2010

Bids Opened: Thursday, July 22, 2010 at 2:00pm

## Scope of Work:

Reconstruction of approximately 0.4 mile of the main park road from the Park Office to the Buno Road Bridge to include bituminous crushing and shaping, regrading of base material, placement of concrete curb and gutter, asphalt surfacing (approximately 1,640 tons of bituminous mixture), crushing, shaping, approximately 3,000 lineal feet of concrete curb and gutter, pavement marking, provisions for partial lane road closure during construction, site restoration and related work. Existing pavement is cracked, deteriorated and severely rutted; drainage structures are inadequate. Project is phase 4 of a multi-phase project to resurface and/or reconstruct the main park road, which was originally constructed in the late 1950s.

<u>Contractor</u>	<u>City</u>	<u>Amount</u>
1. Florence Cement Company	Shelby Twp.	\$190,805.25
2. Pro-Line Asphalt Paving Corp.	Washington Twp.	\$199,209.24
3. Nagle Paving Company	Novi	\$203,863.75
4. Summit Transport, Inc.	New Hudson	\$205,067.50
5. Ajax Paving Industries, Inc.	Troy	\$211,626.50
6. ABC Paving Company	Trenton	\$214,121.25
7. Cadillac Asphalt, LLC	Wixom	\$216,479.50
8. Future Building & Construction Sales	Washington Twp.	\$233,072.50

Total Budget Amount for Contract Services and Administration	\$256,000.00
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## Proposed Work Order Amount

Contract Amount – Florence Cement Company (Rounded)	\$191,000.00
Contract Administration plus Force Account Work	<u>\$ 10,000.00</u>
Total Proposed Work Order Amount	\$201,000.00

Funds to be returned to Reserve Account	\$ 55,000.00
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The following contractors obtained bidding documents but did not submit a proposal:

Dynasty Paving, Washington	Commerce Construction & Landscaping, Milford
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**Recommendation:** That the Board of Commissioners award contract No. 504-10D to the lowest responsive, responsible bidder, Florence Cement Company in the amount of \$190,805.25 and that \$55,000.00 of Capital Improvement funds be returned to the Reserve Account as recommended by Chief Engineer Arens and staff.





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Michael Arens, Chief Engineer  
 Project No: 704-10G  
 Project Title: Hike/Bike Trail Pedestrian Bridge Painting and Steel Repairs  
 Project Type: Major Maintenance  
 Location: Kensington Metropark  
 Date: August 12, 2010

Bids Opened: Thursday, July 22, 2010 at 2:00pm

## Scope of Work:

Cleaning, surface preparation and coating of the existing 10-foot wide by 150-feet long steel pedestrian truss bridge; provide minor steel repairs, protective measures and related work. The existing 25-year old cor-ten steel pedestrian bridge on the Kensington hike-bike trail over the Huron River is corroded and requires repair and coating to preserve its integrity and extend its life.

<u>Contractor</u>	<u>City</u>	<u>Amount</u>
1. Seaway Painting, LLC	Livonia	\$179,600.00
2. Icarus Industrial Painting & Contracting Co.	Valparaiso, IN	\$299,400.00

Total Budget Amount for Contract Services and Administration	\$185,000.00
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## Proposed Work Order Amount

Contract Amount – Seaway Painting, LLC (Rounded)	\$180,000.00
Contract Administration plus Force Account Work	<u>\$ 5,000.00</u>
Total Proposed Work Order Amount	\$185,000.00

The following contractors obtained bidding documents but did not submit a proposal:

Atsalis Brothers Painting, Warren	TMI Coatings, St. Paul, MN
ABC Paving, Trenton	Faust Corporation, Grosse Pte. Farms
Hermes Painting, Troy	

**Recommendation:** That the Board of Commissioners award contract no. 704-10G to the lowest responsive, responsible bidder, Seaway Painting, LLC in the amount of \$179,600.00 as recommended by Chief Engineer Arens and staff.





**HURON-CLINTON METROPOLITAN AUTHORITY**

To: Board of Commissioners  
From: Michael Arens, Chief Engineer  
Subject: Report  
Project Title: MDOT Storm Water Detention Basin  
Location: Kensington Metropark, Livingston County  
Date: August 12, 2010

Design of the proposed I-96 storm water detention basin near Kent Lake Road by the Michigan Department of Transportation (MDOT) is nearing completion. As reported to the Board of Commissioners on November 12, 2009, this project is currently being developed by MDOT in cooperation with Metropark engineering and planning staff to address drainage and erosion problems on Metropark land caused by excessive storm water flow originating from the I-96 right-of-way.

The proposed detention basin will be constructed on approximately 5 acres of Metropark land located approximately 2,900 feet east of the Kent Lake Road interchange. Staff has been working with MDOT to design a detention system which will address the drainage and erosion problems, improve storm water quality, enhance and restore native habitat, and harmonize with surrounding natural areas.

It is MDOT's responsibility to control storm water emanating from the I-96 right-of-way, and MDOT will design, construct and fund the project. There is insufficient land area within the I-96 right-of-way for the project to be constructed, therefore it must be built largely on Metropark land adjacent to the highway right-of-way.

After completion of construction, ownership of the detention basin (specifically, those portions of the basin located on Metropark land) will be transferred to the Metroparks. MDOT will continue to have primary responsibility to maintain and repair the project after completion, including care and maintenance of native plants, vegetative control and periodic cleaning of the basin as necessary. However, because the Metropark's maintenance standards may exceed those of MDOT, the Metroparks will retain the right to provide maintenance of the detention basin as it deems necessary.

The project is mutually beneficial to MDOT and the Metroparks. An agreement is currently being drafted to address the respective responsibilities of the parties. The project will be constructed by MDOT's contractor under a temporary construction easement, drafting of which is also in progress. Staff plans to bring these documents to the Board of Commissioners for approval at its September 9, 2010 meeting.

MDOT will construct the project in conjunction with its project to repair four bridges on the I-96 highway, design of which is also nearing completion at this time. This project is scheduled to be bid in the fall of 2010, and construction is scheduled to begin next year. MDOT's current cost estimate for the detention basin project is \$612,000.

**Recommendation:** That the Board of Commissioners receive and file this report as recommended by Chief Engineer Arens and staff.





## HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
From: Michael Arens, Chief Engineer  
Subject: Proposal  
Project Title: LEED Certification Services, Golf Starter Building Design  
Location: Kensington Metropark, Livingston County  
Date: August 12, 2010

### Scope of Work:

As reported at the July 8, 2010 meeting of the Board of Commissioners, the design of the golf starter building at the Kensington golf course by Lindhout Associates, Inc. is currently in process. The project will include a number of energy efficiency, resource conservation and other sustainable features. Under Lindhout's present scope of work the project will be designed to achieve at least a "Certified" level under the criteria of the LEED v.3 rating system of the US Green Buildings Council (USGBC). However, submittal of LEED documentation, USGBC review and administrative costs, commissioning, and obtaining of actual LEED certification and plaque are not included under the architect's scope of work.

At the July 8, 2010 meeting, the Board of Commissioners directed staff to request Lindhout's proposal to apply for and obtain LEED certification for the project. In response Lindhout has submitted the attached proposal dated July 28, 2010 in the amount of \$19,580.00 for these additional services.

Staff has reviewed the proposal and believes that it reasonably reflects the cost of obtaining LEED certification. No additional construction costs would be anticipated in relation to obtaining LEED certification, unless a rating higher than "Certified" is to be achieved.

The design and construction elements of this project will retain the LEED elements to be eligible for a "Certified" level under the criteria of the LEED v.s3 rating system of the USGBC. However, given the economic challenges facing the Metroparks, staff believes that it is not prudent to pursue applying for and obtaining official LEED certification for the project due to the additional project costs that would be incurred.

**Recommendation:** that the Board of Commissioners decline the proposal from Lindhout Associates Inc. dated July 28, 2010 in the amount of \$19,580.00 to provide LEED certification services as recommended by Chief Engineer Arens and staff.





To: Board of Commissioners  
From: Susan H. Nyquist, Chief Planner  
Subject: Dexter-Huron Metropark River Terrace Trail Agreement(s) Key Terms

The Border to Border Trail in Washtenaw County is the result of Washtenaw County Parks and Recreation Commission's (WCPRC) effort to partner with other public agencies to develop thirty five miles of non-motorized trail through the scenic Huron River valley from the border of Livingston County to the border of Wayne County. As one of the partners in this effort, the Huron-Clinton Metropolitan Authority (HCMA) designed and constructed the first 1.8 miles of trail on the west side of the Huron River in Hudson Mills Metropark with funding from the Michigan Natural Resources Trust Fund (MNRTF), Community Foundation of Southeast Michigan, and the WCPRC. The construction of an additional three miles of trail extending to the Village of Dexter (Village) is dependent on a successful grant request from the MNRTF (recipients will be announced in December of 2010).

The subject of this report is the 1.42 miles of trail connecting the Village to Dexter-Huron Metropark. The following is a list of key terms for a future inter-governmental agreement between the HCMA and WCPRC. If approved, staff will continue to finalize separate Development and Maintenance Agreements for presentation to the Board at a later date.

1. WCPRC to fund development, including design and construction of approximately 1.42 miles of non-motorized paved trail on HCMA property.
2. WCPRC and HCMA to fund future projects for minor repair of said trail on a 50-50 basis. Projects are to be approved and developed as mutually agreed upon.
3. WCPRC and HCMA to fund future projects for major repair of said trail on a 50-50 basis. Projects are to be approved and developed as mutually agreed upon.
4. Design and construction management of major repairs, reconstruction, maintenance, and improvements to be provided by WCPRC on their own initiative or upon request by HCMA when mutually agreed upon and funded on a 50-50 basis.
5. HCMA to operate, patrol, and provide regular maintenance on the trail as described in final agreement documents. Costs of regular patrol and maintenance will be shared on a 50-50 basis. HCMA will invoice WCPRC for patrol and regular maintenance annually per a maintenance agreement.
6. Both HCMA and WCPRC to indemnify the other party for losses, claims or damages arising from design, construction, financing, major repairs and maintenance of the trail as described in the final agreement documents.
7. The WCPRC shall maintain the necessary insurance to satisfy the indemnification and hold harmless provisions at its expense. Coverage should include Comprehensive General Liability Insurance and Broad Form Contractual Insurance.

**Recommendation:** That the Board of Commissioner approve the key terms of an agreement with Washtenaw County Parks and Recreation Commission for the development of a non-motorized paved trail in Dexter-Huron Metropark as recommended by Chief Planner Nyquist and staff.





# HURON-CLINTON METROPOLITAN AUTHORITY

7 - D - 1  
Meeting of August 12, 2010

To: Board of Commissioners  
From: Michael Arens, Chief of Engineering  
Project No: 506-10S  
Project Title: Main Park Road Resurfacing  
Project Type: Capital Improvement  
Location: Lower Huron Metropark  
Date: August 12, 2010

Bids opened Thursday, July 22, 2010 at 2:00pm

## Scope of Work:

Resurfacing approximately 1.1 miles of the main park road to include asphalt resurfacing of the park entrance road from Waltz Road to Savage Road (about 0.2 mile), and microsurfacing from Savage Road toward the Bob White area (about 0.9 mile); provide shoulder widening for improved maintainability and safety; signage replacement; and provide microsurfacing of approximately 0.2 miles of hike bike trail at the Waltz Road entrance. Work is needed to address deterioration of existing pavement surfaces. The structural soundness of existing concrete pavement substructure and base makes the roadway a candidate for lower-cost microsurfacing process.

<u>Contractor</u>	<u>City</u>	<u>Amount</u>
1. Pro-Line Asphalt Paving Corporation	Washington	\$217,326.78
2. Strawser Construction, Inc.	Hamilton, OH	\$228,096.25
Total Budget Amount for Contract Services and Administration		\$208,000.00
Proposed Work Order Amount		
Contract Amount – Pro-Line Asphalt Paving Corp. (Rounded)		\$218,000.00
Contract Administration plus Force Account Work		<u>\$ 8,000.00</u>
Total Proposed Work Order Amount		\$226,000.00
Funds required from Reserve Account		\$ 18,000.00

The following contractors obtained bidding documents but did not submit a proposal:

Ajax Paving, Troy  
Dynasty Paving, Washington

ABC Paving Company, Trenton

**Recommendation:** That the Board of Commissioner award contract No. 506-10S to the low responsive, responsible bidder, Pro-Line Asphalt Paving Corporation in the amount of \$217,326.78 and that \$18,000.00 be transferred from the Reserve Account as recommended by Chief Engineer Arens and staff.







# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Michael Arens, Chief of Engineering  
 Project No: 700-10H  
 Project Title: Hike/Bike Trail Crack Filling and Roadway Overbanding  
 Project Type: Major Maintenance/Park Operations  
 Location: Kensington/Lake Erie/Lower Huron/Stony Creek Metroparks  
 Date: August 12, 2010

Bids Opened: Thursday, July 22, 2010 at 2:00pm

## Scope of Work:

Work to include the overband crack sealing of the park roadway throughout Kensington, Lake Erie, Lower Huron and Stony Creek Metroparks; provide hot-applied crack filling along the hike/bike trail at Lower Huron Metropark. Project was bid on a unit price basis per pound of joint sealant, with a total contract amount equal to the total proposed amount for contract services of \$42,000 for all parks combined. Project is necessary to preserve and extend the life of pavement surfaces.

<u>Contractor</u>	<u>City</u>	<u>Total Pounds</u>	<u>Average Unit Price</u>	<u>Extended Amount</u>
1. Wenn Seal Coating and Striping, Inc.	Adrian	38,179 lbs.	\$1.10	\$42,000.00
2. Michigan Joint Sealing, Inc.	Farmington	32,769 lbs.	\$1.23	\$42,000.00
3. Scodeller Construction, Inc.	Wixom	31,577 lbs.	\$1.33	\$42,000.00

### Total Budget Amount for Contract Services and Administration

Kensington Metropark Road Crack Sealing	\$ 5,000.00
Lake Erie Metropark Road Crack Sealing	\$ 7,000.00
Stony Creek Metropark Road Crack Sealing	\$22,000.00
Lower Huron Metropark Road and Bike Path Crack Sealing	<u>\$22,000.00</u>
Total Budget Amount	\$56,000.00

### Proposed Work Order Amount

Contract Amount-Wenn Seal Coating and Striping	\$42,000.00
Contract Administration plus Force Account Work	<u>\$ 4,000.00</u>
Total Proposed Work Order Amount	\$46,000.00

The following contractors obtained bidding documents but did not submit a proposal:  
 ABC Paving Company, Trenton

**Recommendation:** that the Board of Commissioners award contract No. 700-10H to the low responsive, responsible bidder, Wenn Seal Coating and Striping, Inc. in the amount of \$42,000.00 as recommended Chief Engineer Arens and staff.





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: David L. Wahl, Controller  
 Subject: 2010/2011 Tax Levy Report  
 Date: August 2, 2010

Final 2010 Taxable Value figures used for the calculation of the Metroparks' 2011 tax revenues have been received from the County Treasurer's offices. At this time, it is necessary for the Board of Commissioners to certify the requested tax levy rate to each member county.

The calculation of the Metroparks' tax levy millage rate is controlled by the "Headlee" Millage Reduction Formula (Michigan Compiled Law 211.34d) and Proposal A (1994 Public Act 415). Once the Metroparks' tax levy rate is calculated, it is applied to the "taxable values" throughout the five counties of Livingston, Macomb, Oakland, Washtenaw and Wayne. For the Metroparks' 2011 tax levy, the "taxable value" inflation rate multiplier was .997 percent indicating a negative rate of growth for the allowable rate of inflation.

The Metroparks' "taxable value" figure for the five counties for 2010 is \$151.653 billion, a decrease of \$16.193 billion (9.7 percent) from the 2009 level of \$167.846 billion. The Metroparks' tax base, like other Michigan communities, continues to be negatively impacted by a stalled recovery, resurgence of foreclosures, tight credit, depressed residential/commercial real estate values, lack of new construction and continuing high unemployment.

Although the region experienced a decline in taxable value in 2009 the impact was somewhat mitigated from the cushion created by the gap between "taxable value" and "state equalized value". In many cases, the 2009 "state equalized value" dropped, but still remained above the "taxable value" that was used to compute the Metroparks' 2010 tax revenue. For 2011, much of this cushion has been eliminated now as 2010 "state equalized values" have fallen to the level of 2010 "taxable values".

In applying the 2010 taxable value figures to the Headlee Millage Reduction Factor calculation formula, with the permitted inflation rate multiplier of .997, the Metroparks will be permitted to again levy .2146 mills for 2011. This is the sixth year at the same tax rate, with the Metroparks levying 86 percent of the original authorized millage of .2500 mills.

In applying the .2146 millage rate against the district's 2010 "taxable value" figures, anticipated gross tax revenues for 2011 will be \$32,525,452. The breakdown by county is as follows:

	<b>2011 Levy</b>	<b>%</b>	<b>2010 Levy</b>	<b>%</b>	<b>Change</b>
<b>Livingston</b>	\$1,706,714	5.2%	\$1,839,550	5.1%	(7.2%)
<b>Macomb</b>	5,960,163	18.3%	6,626,064	18.4%	(10.0%)
<b>Oakland</b>	11,814,040	36.4%	13,389,789	37.2%	(11.8%)
<b>Washtenaw</b>	3,110,970	9.6%	3,285,981	9.1%	(5.3%)
<b>Wayne</b>	9,933,564	30.5%	10,878,523	30.2%	(8.7%)
<b>Total</b>	\$32,525,451	100.0%	\$36,019,907	100.0%	(9.7%)

As we have done for the last three years, it is recommended that the Metroparks estimate the amount of “captured” tax revenues and adjust the anticipated gross tax revenues down at the start of the budget year. This is due to (1) the number of tax abatement programs which include Downtown Development Authority (DDA), Local Development Finance Authority (LDFA), Tax Incremental Finance Authority (TIFA), Brownfield, and Neighborhood Enterprise Zones, (2) the increasing number of communities that are utilizing them and (3) the amounts of Metroparks’ tax revenue that is being captured. By booking this adjustment at the beginning of the budget year, we are able to have a more accurate financial picture of the actual amount of taxes that should ultimately be collected in 2011. Based on trends of the last ten years data of the amount of Metroparks’ tax revenue captured, the following breakdown details the net tax revenues recommended to be used for the 2011 Budget.

	<b>2010/2011 Gross Tax Levy</b>	<b>Estimated Tax Write Offs</b>	<b>2010/2011 Net Tax Levy</b>
<b>Livingston</b>	\$ 1,706,714	\$ (28,000)	\$ 1,678,714
<b>Macomb</b>	5,960,163	(76,000)	5,884,163
<b>Oakland</b>	11,814,040	(484,000)	11,330,040
<b>Washtenaw</b>	3,110,970	(55,000)	3,055,970
<b>Wayne</b>	9,933,564	(534,000)	9,399,564
<b>Total</b>	\$ 32,525,451	\$ (1,177,000)	\$ 31,348,451

The 2010 Budget was prepared on the basis of anticipated net tax revenues of \$34,594,391. Therefore, the Metroparks anticipates a tax revenue decline of \$3,245,940 (9.4 percent) for the 2011 Budget. This is the largest revenue decline the Metroparks has ever experienced both in terms of dollars and as a percentage (2010 decline was \$1,281,000 – 3.6 percent). The \$31,348,451 net tax revenues anticipated for 2011 is \$648,451 higher than the estimated 2011 tax figure used in the revised Five Year Plan of \$30,700,000 which was reviewed by the Board in May, 2010. The attached graph shows tax revenue trends since 2000.

The Metroparks have received confirmation on the calculations of the 2010 tax millage rate and revenues from the State Department of Treasury, Assessment and Certification Division. It is necessary for the Board to certify the 2010 tax levy rate to each county.

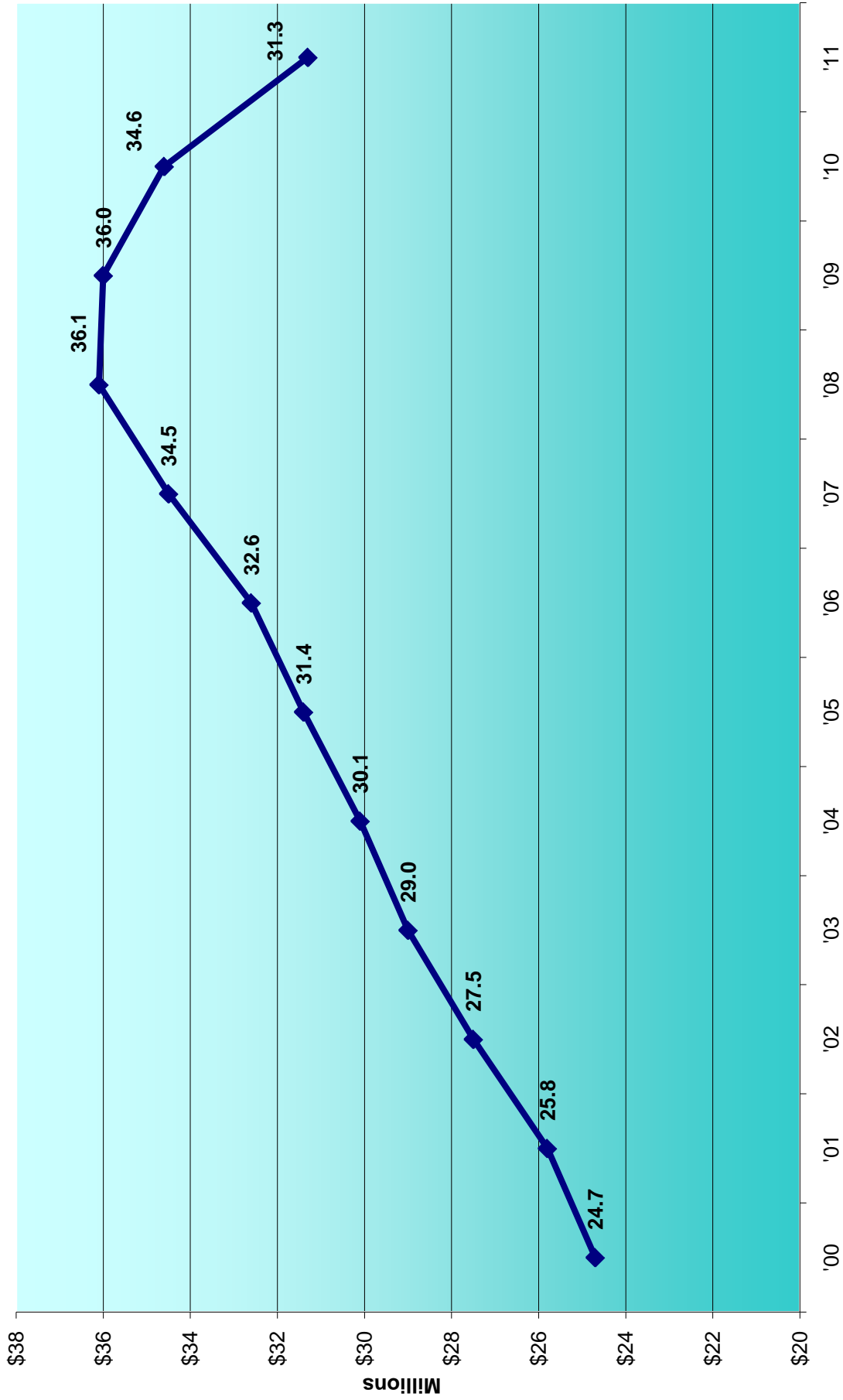
Attachments:

1. Tax Revenue Graph
2. 2010 Tax Rate Request

**Recommendation:** that the Board of Commissioners approve 1) the attached 2010 Tax Rate Request forms and 2) the inclusion of “net” tax revenues of \$31,348,451 in the 2011 Budget as recommended by Controller Wahl and staff.

# Huron-Clinton Metropolitan Authority Tax Revenues - 2000 to 2011

Attachment 1: 7-E-2-1  
Tax Revenue Graph



2000 to 2009 are actual tax collections.

2010 and 2011 are budgeted tax revenues.



**L-4029**  
ORIGINAL TO: County Clerk(s)  
COPY TO: Equalization Department(s)  
COPY TO: Each township or city clerk

## 2010 Tax Rate Request (This form must be completed and submitted on or before September 30, 2010)

Carefully read the instructions on page 2.

This form is issued under authority of MCL Sections 211.24e, 211.34 and 211.34d. Filing is mandatory; Penalty applies.

County(ies) Where the Local Government Unit Levies Taxes <b>Livingston</b>	2010 Taxable Value of ALL Properties in the Unit as of 5-24-10 <b>7,953,001,626</b>
Local Government Unit Requesting Millage Levy <b>Huron-Clinton Metropolitan Authority</b>	For LOCAL School Districts: 2010 Taxable Value excluding Principal Residence, Qualified Agricultural, Qualified Forest, Industrial Personal and Commercial Personal Properties.

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been authorized for levy on the 2010 tax roll.

[illegible]

Prepared by <b>David L. Wahl</b>	Telephone Number <b>810-494-6032</b>	Title of Preparer <b>Controller</b>	Date <b>8/12/2010</b>
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**CERTIFICATION:** As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34 and, for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, 380.1211(3).

<input type="checkbox"/>	Clerk	Signature	Print Name	Date
<input checked="" type="checkbox"/>	Secretary		<b>Anthony V. Marrocco</b>	<b>8/12/2010</b>
<input checked="" type="checkbox"/>	Chairperson	Signature	Print Name	Date
<input type="checkbox"/>	President		<b>Harry E. Lester</b>	<b>8/12/2010</b>

\* Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

**\*\* IMPORTANT:** See instructions on page 2 regarding where to find the millage rate used in column (5).

Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 2 of 2010 for instructions on completing this section.	
Total School District Operating Rates to be Levied (HH/Supp and NH Oper ONLY)	Rate
For Principal Residence, Qualified Ag, Qualified Forest and Industrial Personal	
For Commercial Personal	
For all Other	





Carefully read the instructions on page 2.

2010 Taxable Value of ALL Properties in the Unit as of 5-24-10

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been

[illegible]

Prepared by <b>David L. Wahi</b>	Telephone Number <b>810-494-6032</b>	Title of Preparer <b>Controller</b>	Date <b>8/12/2010</b>
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**Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 2 of 2010 for instructions on completing this section.**

Rate	Rates to be Levied (HH/Supp and NH Oper ONLY)
	For Principal Residence, Qualified Ag. Qualified Forest and Industrial Personal
	For Commercial Personal
	For all Other

For all Other	
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Carefully read the instructions on page 2.

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been

[illegible]

Prepared by <b>David L. Wahl</b>	Telephone Number <b>810-494-6032</b>	Title of Preparer <b>Controller</b>	Date <b>8/12/2010</b>
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**CERTIFICATION:** As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34 and, for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, 380.1211(3).

<input type="checkbox"/>	Clerk	Signature	Print Name	Date	Rates to be Levied (HH/Supp and NH Oper ONLY)	Rate
<input checked="" type="checkbox"/>	Secretary		<b>Anthony V. Marrocco</b>	<b>8/12/2010</b>		
<input checked="" type="checkbox"/>	Chairperson	Signature	Print Name	Date	For Principal Residence, Qualified Ag, Qualified Forest and Industrial Personal	Rate
<input type="checkbox"/>	President		<b>Harry E. Lester</b>	<b>8/12/2010</b>		

\* Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate. If not larger than the rate in column 9.

**IMPORTANT:** See instructions on page 2 regarding where to find the millage rate used in column (5).



Carefully read the instructions on page 2.

This form is issued under authority of MCL Sections 211.24e, 211.34 and 211.34d. Filing is mandatory; Penalty applies.

County(ies) Where the Local Government Unit Levies Taxes <b>Washtenaw</b>	2010 Taxable Value of ALL Properties in the Unit as of 5-24-10 <b>14,496,599,262</b>	For LOCAL School Districts: 2010 Taxable Value excluding Principal Residence, Qualified Agricultural, Qualified Forest, Industrial Personal and Commercial Personal Properties.
Local Government Unit Requesting Millage Levy <b>Huron-Clinton Metropolitan Authority</b>		

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been authorized for levy on the 2010 tax roll.

[illegible]

Prepared by <b>David L. Wahl</b>	Telephone Number <b>810-494-6032</b>	Title of Preparer <b>Controller</b>	Date <b>8/12/2010</b>
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**CERTIFICATION:** As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34 and, for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, 380.121(3).

<input type="checkbox"/>	Clerk	Signature	Print Name	Date
<input checked="" type="checkbox"/>	Secretary		<b>Anthony V. Marrocco</b>	<b>8/12/2010</b>
<input checked="" type="checkbox"/>	Chairperson	Signature	Print Name	Date
<input type="checkbox"/>	President		<b>Harry E. Lester</b>	<b>8/12/2010</b>

Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

**\*\* IMPORTANT:** See instructions on page 2 regarding where to find the millage rate used in column (5).

Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 2 of 2010 for instructions on completing this section.	
Total School District Operating Rates to be Levied (HH/Supp and NH Oper ONLY)	Rate
For Principal Residence, Qualified Ag. Qualified Forest and Industrial Personal	
For Commercial Personal	
For all Other	



**2010 Tax Rate Request** (This form must be completed and submitted on or before September 30, 2010)

MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

This form is issued under authority of MCL Sections 211.24e, 211.34 and 211.34d. Filing is mandatory; Penalty applies.

County(ies) Where the Local Government Unit Levies Taxes <b>Wayne</b>	2010 Taxable Value of ALL Properties in the Unit as of 5-24-10 <b>46,288,742,665</b>
Local Government Unit Requesting Millage Levy <b>Huron-Clinton Metropolitan Authority</b>	For LOCAL School Districts: 2010 Taxable Value excluding Principal Residence, Qualified Agricultural, Qualified Forest, Industrial Personal and Commercial Personal Properties.

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been authorized for levy on the 2010 tax roll.

[illegible]

Prepared by <b>David L. Wahl</b>	Telephone Number <b>810-494-6032</b>	Title of Preparer <b>Controller</b>	Date <b>8/12/2010</b>
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**CERTIFICATION:** As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34 and, for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, 380.1211(3).

		Signature	Print Name	Date	Rates to be Levied (HH/Supp and NH Oper ONLY)	Rate
<input type="checkbox"/> Clerk	<input checked="" type="checkbox"/> Secretary		<b>Anthony V. Marrocco</b>	<b>8/12/2010</b>		
<input checked="" type="checkbox"/> Chairperson	<input type="checkbox"/> President		<b>Harry E. Lester</b>	<b>8/12/2010</b>	For Commercial Personal	

\* Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

\* Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

**\*\* IMPORTANT:** See instructions on page 2 regarding where to find the millage rate used in column (5).







## HURON-CLINTON METROPOLITAN AUTHORITY

7 - E - 3  
Meeting of August 12, 2010

To: Board of Commissioners  
From: David L. Wahl, Controller  
Subject: HCMA 457 Deferred Compensation Plan and Trust Restatement  
Date: August 2, 2010

The Authority has maintained a Section 457 Deferred Compensation Plan for all full time employees since 1975. The Authority is a multiple plan provider, utilizing both ICMA-Retirement Corporation and AXA Equitable as investment mediums for the Authority's employee Deferred Compensation Plan. Voluntary employee contributions are currently limited to "base" wages only.

Following contract negotiations in 2009, discussions were held with the HCMA Employee Association units and P.O.A.M. representatives concerning the expansion of the Plan's eligible compensation definition to include all forms of compensation, i.e., severance payouts, annual leave option days, sick leave/longevity bonuses. It was felt that a broader definition of eligible compensation would allow employees greater flexibility in funding a portion of their retirement income. Since this is a voluntary program, it would assist interested employees with their retirement planning.

In addition, there have been some legislative changes which should be addressed in the Authority's Section 457 Plan documents in order to remain in compliance.

To this end, attached is a restated 457 Deferred Compensation Plan and Trust document with an adoption Resolution. The standard ICMA Deferred Compensation Plan has been reviewed and approved by Miller Canfield – Orin Brustad. Miller Canfield has developed the Trust Agreement and Resolution to address the Authority's multiple plan provider situation. These documents comply with all current IRS regulations governing Section 457 Plans and all current legislation.

**Recommendation:** That the Board of Commissioners approve the attached restated Huron-Clinton Metropolitan Authority Section 457 Deferred Compensation Trust Agreement with the attached Resolution as recommended by Controller Wahl and staff.



## DEFERRED COMPENSATION PLAN AND TRUST

As Amended and Restated Effective January 1, 2006

### Article I. Purpose

The Employer hereby establishes and maintains the Employer's Deferred Compensation Plan and Trust, hereafter referred to as the "Plan." The Plan consists of the provisions set forth in this document.

The primary purpose of this Plan is to provide retirement income and other deferred benefits to the Employees of the Employer and the Employees' Beneficiaries in accordance with the provisions of Section 457 of the Internal Revenue Code of 1986, as amended (the "Code").

This Plan shall be an agreement solely between the Employer and participating Employees. The Plan and Trust forming a part hereof are established and shall be maintained for the exclusive benefit of Participants and their Beneficiaries. No part of the corpus or income of the Trust shall revert to the Employer or be used for or diverted to purposes other than the exclusive benefit of Participants and their Beneficiaries.

### Article II. Definitions

- 2.01 Account.** The bookkeeping account maintained for each Participant reflecting the cumulative amount of the Participant's Deferred Compensation, including any income, gains, losses, or increases or decreases in market value attributable to the Employer's investment of the Participant's Deferred Compensation, and further reflecting any distributions to the Participant or the Participant's Beneficiary and any fees or expenses charged against such Participant's Deferred Compensation.
- 2.02 Accounting Date.** Each business day that the New York Stock Exchange is open for trading, as provided in Section 6.06 for valuing the Trust's assets.
- 2.03 Administrator.** The person or persons named in writing to carry out certain nondiscretionary administrative functions under the Plan, as hereinafter described. The Employer may remove any person as Administrator upon 75 days' advance notice in writing to such person, in which case the Employer shall name another person or persons to act as Administrator. The Administrator may resign upon 75 days' advance notice in writing to the Employer, in which case the Employer shall name another person or persons to act as Administrator.
- 2.04 Automatic Distribution Date.** April 1 of the calendar year after the Plan Year the Participant attains age 70-1/2 or, if later, has a Severance Event.
- 2.05 Beneficiary.** The person or persons designated by the Participant in his or her Joinder Agreement who shall receive any benefits payable hereunder in the event of the Participant's death. In the event that the Participant names two or more Beneficiaries, each Beneficiary shall be entitled to equal shares of the benefits payable at the Participant's death, unless otherwise provided in the Participant's Joinder Agreement. If no beneficiary is designated in the Joinder Agreement, if the Designated Beneficiary predeceases the Participant, or if the designated Beneficiary does not survive the Participant for a period of fifteen (15) days, then the estate of the Participant shall be the Beneficiary. If a married Participant resides in a community or marital property state, the Participant shall be responsible for obtaining appropriate consent of his or her spouse in the event the Participant designates someone other than his or her spouse as Beneficiary. The preceding sentence shall not apply with respect to a Deemed IRA under Article IX.
- 2.06 Deemed IRA.** A separate account or annuity established under the Plan that complies with the requirements of Section 408(q) of the Code, the Income Tax Regulations thereunder, and any other IRS guidance.

- 2.07 Deferred Compensation.** The amount of Includible Compensation otherwise payable to the Participant which the Participant and the Employer mutually agree to defer hereunder, any amount credited to a Participant's Account by reason of a transfer under Section 6.09 or 6.10, a rollover under Section 6.11, or any other amount which the Employer agrees to credit to a Participant's Account.
- 2.08 Dollar Limitation.** The applicable dollar amount within the meaning of Section 457(b)(2)(A) of the Code, as adjusted for the cost-of-living in accordance with Section 457(e)(15) of the Code.
- 2.09 Employee.** Any individual who provides services for the Employer, whether as an employee of the Employer or as an independent contractor, and who has been designated by the Employer as eligible to participate in the Plan.
- 2.10 Employer.** Huron-Clinton Metro Authority, which is a political subdivision, agency or instrumentality of the [State/Commonwealth] of Michigan, described in Section 457(e)(1)(A) of the Code.
- 2.11 457 Catch-Up Dollar Limitation.** Twice the Dollar Limitation.
- 2.12 Includible Compensation.** Includible Compensation of a Participant means "compensation," as defined in Section 415(c)(3) of the Code, for services performed for the Employer. Includible Compensation shall be determined without regard to any community property laws. For purposes of a Participant's Joinder Agreement only and not for purposes of the limitations in Article V, Includible Compensation shall include any employer contributions to an integral part trust of the employer providing retiree health care benefits.
- 2.13 Joinder Agreement.** An agreement entered into between an Employee and the Employer, including any amendments or modifications thereof. Such agreement shall fix the amount of Deferred Compensation, specify a preference among the investment alternatives designated by the Employer, designate the Employee's Beneficiary or Beneficiaries, and incorporate the terms, conditions, and provisions of the Plan by reference.
- 2.14 Normal Limitation.** The maximum amount of Deferred Compensation for any Participant for any taxable year (other than amounts referred to in Sections 6.09, 6.10, and 6.11).
- 2.15 Normal Retirement Age.** Age 70-1/2, unless the Participant has elected an alternate Normal Retirement Age by written instrument delivered to the Administrator prior to a Severance Event. A Participant's Normal Retirement Age determines the period during which a Participant may utilize the 457 Catch-Up Dollar Limitation of Section 5.02(b) hereunder. Once a Participant has to any extent utilized the catch-up limitation of Section 5.02(b), his Normal Retirement Age may not be changed.

A Participant's alternate Normal Retirement Age may not be earlier than the earliest date that the Participant will become eligible to retire and receive immediate, unreduced retirement benefits under the Employer's basic defined benefit retirement plan covering the Participant (or a money purchase pension plan in which the Participant also participates if the Participant is not eligible to participate in a defined benefit plan), and may not be later than the date the Participant will attain age 70-1/2. If the Participant will not become eligible to receive benefits under a basic defined benefit retirement plan (or money purchase pension plan, if applicable) maintained by the Employer, the Participant's alternate Normal Retirement Age may not be earlier than 65 and may not be later than age 70-1/2. In no event may a Participant's normal retirement age be different than the normal retirement age under the Employer's other 457(b) plans, if any.

In the event the Plan has Participants that include qualified police or firefighters (as defined under Section 415(b)(2)(H)(ii)(I) of the Code), a normal retirement age may be designated for such qualified police or firefighters that is not earlier than age 40 or later than age 70-1/2. Alternatively, qualified police or firefighters may be permitted to designate a normal retirement age that is between age 40 and age 70-1/2.

- 2.16 Participant.** Any Employee who has joined the Plan pursuant to the requirements of Article IV. For purposes of section 6.11 of the Plan, the term Participant includes an employee or former Employee of the Employer who has not yet received all of the payments of benefits to which he/she is entitled under the Plan.
- 2.17 Percentage Limitation.** 100 percent of the participant's Includible Compensation available to be contributed as Deferred Compensation for the taxable year.
- 2.18 Plan Year.** The calendar year.
- 2.19 Retirement.** The first date upon which both of the following shall have occurred with respect to a participant: Severance Event and attainment of age 65.
- 2.20 Severance Event.** A severance of the Participant's employment with the Employer within the meaning of Section 457(d)(1)(A)(ii) of the Code.
- In general, a Participant shall be deemed to have experienced a Severance Event for purposes of this Plan when, in accordance with the established practices of the Employer, the employment relationship is considered to have actually terminated. In the case of a Participant who is an independent contractor of the Employer, a Severance Event shall be deemed to have occurred when the Participant's contract under which services are performed has completely expired and terminated, there is no foreseeable possibility that the Employer will renew the contract or enter into a new contract for the Participant's services, and it is not anticipated that the Participant will become an Employee of the Employer, or such other events as may be permitted under the Code.
- 2.21 Trust.** The Trust created under Article VI of the Plan which shall consist of all compensation deferred under the Plan, plus any income and gains thereon, less any losses, expenses and distributions to Participants and Beneficiaries.

### **Article III. Administration**

- 3.01 Duties of the Employer.** The Employer shall have the authority to make all discretionary decisions affecting the rights or benefits of Participants which may be required in the administration of this Plan. The Employer's decisions shall be afforded the maximum deference permitted by applicable law.
- 3.02 Duties of Administrator.** The Administrator, as agent for the Employer, shall perform nondiscretionary administrative functions in connection with the Plan, including the maintenance of Participants' Accounts, the provision of periodic reports of the status of each Account, and the disbursement of benefits on behalf of the Employer in accordance with the provisions of this Plan.

### **Article IV. Participation in the Plan**

- 4.01 Initial Participation.** An Employee may become a Participant by entering into a Joinder Agreement prior to the beginning of the calendar month in which the Joinder Agreement is to become effective to defer compensation not yet earned, or such other date as may be permitted under the Code. A new employee may defer compensation in the calendar month during which he or she first becomes an employee if a Joinder Agreement is entered into on or before the first day on which the employee performs services for the Employer.
- 4.02 Amendment of Joinder Agreement.** A Participant may amend an executed Joinder Agreement to change the amount of Includible Compensation not yet earned which is to be deferred (including the reduction of such future deferrals to zero). Such amendment shall become effective as of the beginning of the calendar month commencing after the date the amendment is executed, or such other date as may be permitted under the Code. A Participant may at any time amend his or her Joinder Agreement to change the designated Beneficiary, and such amendment shall become effective immediately.

## Article V. Limitations on Deferrals

**5.01 Normal Limitation.** Except as provided in Section 5.02, the maximum amount of Deferred Compensation for any Participant for any taxable year, shall not exceed the lesser of the Dollar Limitation or the Percentage Limitation.

### 5.02 Catch-Up Limitations.

- (a) *Catch-up Contributions for Participants Age 50 and Over:* A Participant who has attained the age of 50 before the close of the Plan Year, and with respect to whom no other elective deferrals may be made to the Plan for the Plan Year by reason of the Normal Limitation of Section 5.01, may enter into a Joinder Agreement to make elective deferrals in addition to those permitted by the Normal Limitation in an amount not to exceed the lesser of:
- (1) The applicable dollar amount as defined in Section 414(v)(2)(B) of the Code, as adjusted for the cost-of-living in accordance with Section 414(v)(2)(C) of the Code; or
  - (2) The excess (if any) of
    - (i) The Participant's Includible Compensation for the year, or
    - (ii) Any other elective deferrals of the Participant for such year which are made without regard to this Section 5.02(a).

An additional contribution made pursuant to this Section 5.02(a) shall not, with respect to the year in which the contribution is made, be subject to any otherwise applicable limitation contained in Section 5.01 above, or be taken into account in applying such limitation to other contributions or benefits under the Plan or any other plan. This Section 5.02(a) shall not apply in any year to which a higher limit under Section 5.02(b) applies.

- (b) *Last Three Years Catch-up Contribution:* For each of the last three (3) taxable years for a Participant ending before his or her attainment of Normal Retirement Age, the maximum amount of Deferred Compensation shall be the lesser of:
- (1) The 457 Catch-Up Dollar Limitation, or
  - (2) The sum of
    - (i) The Normal Limitation for the taxable year, and
    - (ii) The Normal Limitation for each prior taxable year of the Participant commencing after 1978 less the amount of the Participant's Deferred Compensation for such prior taxable years. A prior taxable year shall be taken into account under the preceding sentence only if (x) the Participant was eligible to participate in the Plan for such year, and (y) compensation (if any) deferred under the Plan (or such other plan) was subject to the Normal Limitation.

**5.03 Sick, Vacation and Back Pay.** If the Employer so elects, a Participant may defer all or a portion of the value of the Participant's accumulated sick pay, accumulated vacation pay and/or back pay, provided that such deferral does not cause total deferrals on behalf of the Participant to exceed the Dollar Limitation or Percentage Limitation (including any Catch-up Dollar Limitation) for the year of deferral. The election to defer such sick, vacation and/or back pay must be made in a manner and at a time permitted under Section 1.457-4(d) of the Income Tax Regulations.

Pursuant to proposed IRS regulations issued under Section 415 of the Code, the Plan may permit deferrals from compensation, including sick, vacation and back pay, so long as the amounts are paid within 2 ½ months following severance from employment and the other requirements of Sections 457(b) and 415 of the Code are met. Additionally,



the agreement to defer such amounts must be entered into prior to the first day of the month in which the amounts otherwise would be paid or made available.

- 5.04 Other Plans.** Notwithstanding any provision of the Plan to the contrary, the amount excludible from a Participant's gross income under this Plan or any other eligible deferred compensation plan under Section 457(b) of the Code shall not exceed the limits set forth in Sections 457(b) and 414(v) of the Code.
- 5.05 Excess Deferrals.** Any amount that exceeds the maximum Dollar Limitation or Percentage Limitation (including any applicable Catch-Up Dollar Limitation) for a taxable year, shall constitute an excess deferral for that taxable year. Any excess deferral shall be distributed in accordance with the requirements for excess deferrals under the Code and Section 1.457-4(e) of the Income Tax Regulations or other applicable Internal Revenue Service guidance.
- 5.06 Protection of Person Who Serves in a Uniformed Service.** An Employee whose employment is interrupted by qualified military service under Section 414(u) of the Code or who is on leave of absence for qualified military service under Section 414(u) of the Code may elect to contribute additional Deferred Compensation upon resumption of employment with the Employer equal to the maximum Deferred Compensation that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of Includible Compensation) without the interruption or leave, reduced by Deferred Compensation, if any, actually made for the Employee during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave).

## **Article VI. Trust and Investment of Accounts**

- 6.01 Investment of Deferred Compensation.** A Trust is hereby created to hold all the assets of the Plan (except Deemed IRA contributions and earnings thereon held pursuant to Article IX) for the exclusive benefit of Participants and Beneficiaries, except that expenses and taxes may be paid from the Trust as provided in Section 6.03. The trustee shall be the Employer or such other person that agrees to act in that capacity hereunder.
- 6.02 Investment Powers.** The trustee or the Administrator, acting as agent for the trustee, shall have the powers listed in this Section with respect to investment of Trust assets, except to the extent that the investment of Trust assets is directed by Participants, pursuant to Section 6.05 or to the extent that such powers are restricted by applicable law.
- (a) To invest and reinvest the Trust without distinction between principal and income in common or preferred stocks, shares of regulated investment companies and other mutual funds, bonds, loans, notes, debentures, certificates of deposit, contracts with insurance companies including but not limited to insurance, individual or group annuity, deposit administration, guaranteed interest contracts, and deposits at reasonable rates of interest at banking institutions including but not limited to savings accounts and certificates of deposit. Assets of the Trust may be invested in securities that involve a higher degree of risk than investments that have demonstrated their investment performance over an extended period of time.
  - (b) To invest and reinvest all or any part of the assets of the Trust in any common, collective or commingled trust fund that is maintained by a bank or other institution and that is available to Employee plans described under Sections 457 or 401 of the Code, or any successor provisions thereto, and during the period of time that an investment through any such medium shall exist, to the extent of participation of the Plans the declaration of trust of such commonly collective, or commingled trust fund shall constitute a part of this Plan.
  - (c) To invest and reinvest all or any part of the assets of the Trust in any group annuity, deposit administration or guaranteed interest contract issued by an insurance company or other financial institution on a commingled or collective basis with the assets of any other 457 plan or trust qualified under Section 401(a) of the Code or any other plan described in Section 401(a)(24) of the Code, and such contract may be held or issued in the name of the Administrator, or such custodian as the Administrator may appoint, as agent and nominee for the Employer. During the period that an investment through any such contract shall exist, to the extent of participation of the Plan, the terms and conditions of such contract shall constitute a part of the Plan.

- (d) To hold cash awaiting investment and to keep such portion of the Trust in cash or cash balances, without liability for interest, in such amounts as may from time to time be deemed to be reasonable and necessary to meet obligations under the Plan or otherwise to be in the best interests of the Plan.
- (e) To hold, to authorize the holding of, and to register any investment to the Trust in the name of the Plan, the Employer, or any nominee or agent of any of the foregoing, including the Administrator, or in bearer form, to deposit or arrange for the deposit of securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by any other person, and to organize corporations or trusts under the laws of any jurisdiction for the purpose of acquiring or holding title to any property for the Trust, all with or without the addition of words or other action to indicate that property is held in a fiduciary or representative capacity but the books and records of the Plan shall at all times show that all such investments are part of the Trust.
- (f) Upon such terms as may be deemed advisable by the Employer or the Administrator, as the case may be, for the protection of the interests of the Plan or for the preservation of the value of an investment, to exercise and enforce by suit for legal or equitable remedies or by other action, or to waive any right or claim on behalf of the Plan or any default in any obligation owing to the Plan, to renew, extend the time for payment of, agree to a reduction in the rate of interest on, or agree to any other modification or change in the terms of any obligation owing to the Plan, to settle, compromise, adjust, or submit to arbitration any claim or right in favor of or against the Plans to exercise and enforce any and all rights of foreclosure, bid for property in foreclosure, and take a deed in lieu of foreclosure with or without paying consideration therefor, to commence or defend suits or other legal proceedings whenever any interest of the Plan requires it, and to represent the Plan in all suits or legal proceedings in any court of law or equity or before any body or tribunal.
- (g) To employ suitable consultants, depositories, agents, and legal counsel on behalf of the Plan.
- (h) To open and maintain any bank account or accounts in the name of the Plan, the Employer, or any nominee or agent of the foregoing, including the Administrator, in any bank or banks.
- (i) To do any and all other acts that may be deemed necessary to carry out any of the powers set forth herein.

**6.03 Taxes and Expenses.** All taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws upon the Plan, or in respect to the Trust, or the income thereof, and all commissions or acquisitions or dispositions of securities and similar expenses of investment and reinvestment of the Trust, shall be paid from the Trust. Such reasonable compensation of the Administrator, as may be agreed upon from time to time by the Employer and the Administrator, and reimbursement for reasonable expenses incurred by the Administrator in performance of its duties hereunder (including but not limited to fees for legal, accounting, investment and custodial services) shall also be paid from the Trust.

**6.04 Payment of Benefits.** The payment of benefits from the Trust in accordance with the terms of the Plan may be made by the Administrator, or by any custodian or other person so authorized by the Employer to make such disbursement. The Administrator, custodian or other person shall not be liable with respect to any distribution of Trust assets made at the direction of the Employer.

**6.05 Investment Funds.** In accordance with uniform and nondiscriminatory rules established by the Employer and the Administrator, the Participant may direct his or her Accounts to be invested in one (1) or more investment funds available under the Plan; provided, however, that the Participant's investment directions shall not violate any investment restrictions established by the Employer. Neither the Employer, the Administrator, nor any other person shall be liable for any losses incurred by virtue of following such directions or with any reasonable administrative delay in implementing such directions.



**6.06 Valuation of Accounts.** As of each Accounting Date, the Plan assets held in each investment fund offered shall be valued at fair market value and the investment income and gains or losses for each fund shall be determined. Such investment income and gains or losses shall be allocated proportionately among all Account balances on a fund-by-fund basis. The allocation shall be in the proportion that each such Account balance as of the immediately preceding Accounting Date bears to the total of all such Account balances as of that Accounting Date. For purposes of this Article, all Account balances include the Account balances of all Participants and Beneficiaries.

**6.07 Participant Loan Accounts.** Participant loan accounts shall be invested in accordance with Section 8.03 of the Plan. Such Accounts shall not share in any investment income and gains or losses of the investment funds described in Sections 6.05 and 6.06.

**6.08 Crediting of Accounts.** The Participant's Account shall reflect the amount and value of the investments or other property obtained by the Employer through the investment of the Participant's Deferred Compensation pursuant to Sections 6.05 and 6.06. It is anticipated that the Employer's investments with respect to a Participant will conform to the investment preference specified in the Participant's Joinder Agreement, but nothing herein shall be construed to require the Employer to make any particular investment of a Participant's Deferred Compensation. Each Participant shall receive periodic reports, not less frequently than annually, showing the then current value of his or her Account.

**6.09 Post-Severance Transfers Among Eligible Deferred Compensation Plans.**

(a) *Incoming Transfers:* A transfer may be accepted from an eligible deferred compensation plan maintained by another employer and credited to a Participant's or Beneficiary's Account under the Plan if:

- (1) In the case of a transfer for a Participant, the Participant has had a Severance Event with that employer and become an Employee of the Employer;
- (2) The other employer's plan provides that such transfer will be made; and
- (3) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer.

The Employer may require such documentation from the predecessor plan as it deems necessary to effectuate the transfer in accordance with Section 457(e)(10) of the Code, to confirm that such plan is an eligible deferred compensation plan within the meaning of Section 457(b) of the Code, and to assure that transfers are provided for under such plan. The Employer may refuse to accept a transfer in the form of assets other than cash, unless the Employer and the Administrator agree to hold such other assets under the Plan.

(b) *Outgoing Transfers:* An amount may be transferred to an eligible deferred compensation plan maintained by another employer, and charged to a Participant's or Beneficiary's Account under this Plan, if:

- (1) In the case of a transfer for a Participant, the Participant has a Severance Event with the Employer and becomes an employee of the other employer;
- (2) The other employer's plan provides that such transfer will be accepted;
- (3) The Participant or Beneficiary and the employers have signed such agreements as are necessary to assure that the Employer's liability to pay benefits to the Participant has been discharged and assumed by the other employer; and
- (4) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer.

The Employer may require such documentation from the other plan as it deems necessary to effectuate the transfer, to confirm that such plan is an eligible deferred compensation plan within the meaning of Section

457(b) of the Code, and to assure that transfers are provided for under such plan. Such transfers shall be made only under such circumstances as are permitted under Section 457 of the Code and the regulations thereunder.

#### **6.10 Transfers Among Eligible Deferred Compensation Plans of the Employer.**

- (a) *Incoming Transfers.* A transfer may be accepted from another eligible deferred compensation plan maintained by the Employer and credited to a Participant's or Beneficiary's Account under the Plan if:
  - (1) The Employer's other plan provides that such transfer will be made;
  - (2) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer; and
  - (3) The Participant or Beneficiary whose deferred amounts are being transferred is not eligible for additional annual deferrals in the Plan unless the Participant or Beneficiary is performing services for the Employer.
- (b) *Outgoing Transfers.* A transfer may be accepted from another eligible deferred compensation plan maintained by the Employer and credited to a Participant's or Beneficiary's Account under the Plan if:
  - (1) The Employer's other plan provides that such transfer will be accepted;
  - (2) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer; and
  - (3) The Participant or Beneficiary whose deferred amounts are being transferred is not eligible for additional annual deferrals in the Employer's other eligible deferred compensation plan unless the Participant or Beneficiary is performing services for the Employer.

#### **6.11 Eligible Rollover Distributions.**

- (a) *Incoming Rollovers:* An eligible rollover distribution may be accepted from an eligible retirement plan and credited to a Participant's Account under the Plan. The Employer may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of Section 402(c)(8)(B) of the Code. The Plan shall separately account (in one or more separate accounts) for eligible rollover distributions from any eligible retirement plan.
- (b) *Outgoing Rollovers:* Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.
- (c) *Definitions:*
  - (1) *Eligible Rollover Distribution:* An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Sections

401(a)(9) and 457(d)(2) of the Code; and any distribution made as a result of an unforeseeable emergency of the employee. For purposes of distributions from other eligible retirement plans rolled over into this Plan, the term eligible rollover distribution shall not include the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

- (2) *Eligible Retirement Plan:* An eligible retirement plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Sections 403(a) or 403(b) of the Code, a qualified trust described in Section 401(a) of the Code, or an eligible deferred compensation plan described in Section 457(b) of the Code which is maintained by an eligible governmental employer described in Section 457(e)(1)(A) of the Code, that accepts the distributee's eligible rollover distribution.
- (3) *Distributee:* A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.
- (4) *Direct Rollover:* A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

**6.12 Trustee-to-Trustee Transfers to Purchase Permissive Service Credit.** All or a portion of a Participant's Account may be transferred directly to the trustee of a defined benefit governmental plan (as defined in Section 414(d) of the Code) if such transfer is (a) for the purchase of permissive service credit (as defined in Section 415(n)(3)(A) of the Code) under such plan, or (b) a repayment to which Section 415 of the Code does not apply by reason of subsection (k)(3) thereof, within the meaning of Section 457(e)(17) of the Code.

**6.13 Treatment of Distributions of Amounts Previously Rolled Over From 401(a) and 403(b) Plans and IRAs.** For purposes of Section 72(t) of the Code, a distribution from this Plan shall be treated as a distribution from a qualified retirement plan described in Section 4974(c)(1) of the Code to the extent that such distribution is attributable to an amount transferred to an eligible deferred compensation plan from a qualified retirement plan (as defined in Section 4974(c) of the Code).

**6.14 Employer Liability.** In no event shall the Employer's liability to pay benefits to a Participant under this Plan exceed the value of the amounts credited to the Participant's Account; neither the Employer nor the Administrator shall be liable for losses arising from depreciation or shrinkage in the value of any investments acquired under this Plan.

## **Article VII. Benefits**

### **7.01 Retirement Benefits and Election on Severance Event.**

- (a) *General Rule:* Except as otherwise provided in this Article VII, the distribution of a Participant's Account shall commence as of a Participant's Automatic Distribution Date, and the distribution of such benefits shall be made in accordance with one of the payment options described in Section 7.02. Notwithstanding the foregoing, but subject to the following paragraphs of this Section 7.01, the Participant may elect following a Severance Event to have the distribution of benefits commence on a fixed determinable date other than that described in the preceding sentence, but not later than April 1 of the year following the year of the Participant's Retirement or attainment of age 70-1/2, whichever is later. The Participant's right to change his or her election with respect to commencement of the distribution of benefits shall not be restrained by this Section 7.01. Notwithstanding the foregoing, the Administrator, in order to ensure the orderly administration of this provision, may establish a deadline after which such election to defer the commencement of distribution of benefits shall not be allowed.

- (b) *Loans*: Notwithstanding the foregoing provisions of this Section 7.01, no election to defer the commencement of benefits after a Severance Event shall operate to defer the distribution of any amount in the Participant's loan account in the event of a default of the Participant's loan.

**7.02 Payment Options.** As provided in Sections 7.01, 7.04 and 7.05, a Participant may elect to have value of the Participant's Account distributed in accordance with one of the following payment options, provided that such option is consistent with the limitations set forth in Section 7.03:

- (a) Equal monthly, quarterly, semi-annual or annual payments in an amount chosen by the Participant, continuing until his or her Account is exhausted;
- (b) One lump-sum payment;
- (c) Approximately equal monthly, quarterly, semi-annual or annual payments, calculated to continue for a period certain chosen by the Participant;
- (d) Annual Payments equal to the minimum distributions required under Section 401(a)(9) of the Code, including the incidental death benefit requirements of Section 401(a)(9)(G), over the life expectancy of the Participant or over the life expectancies of the Participant and his or her Beneficiary;
- (e) Payments equal to payments made by the issuer of a retirement annuity policy acquired by the Employer;
- (f) A split distribution under which payments under options (a), (b), (c) or (e) commence or are made at the same time, as elected by the Participant under Section 7.01, provided that all payments commence (or are made) by the latest benefit commencement date permitted under Section 7.01;
- (g) Any other payment option elected by the Participant and agreed to by the Employer and Administrator.

A Participant's selection of a payment option under Subsections (a), (c), or (g) above may include the selection of an automatic annual cost-of-living increase. Such increase will be based on the rise in the Consumer Price Index for All Urban Consumers (CPI-U) from the third quarter of the last year in which a cost-of-living increase was provided to the third quarter of the current year. Any increase will be made in periodic payment checks beginning the following January.

**7.03 Limitation on Options.** No payment option may be selected by a Participant under subsections 7.02(a) or (c) unless the amount of any installment is not less than \$100. No payment option may be selected by a Participant under Sections 7.02, 7.04, or 7.05 unless it satisfies the requirements of Sections 401(a)(9) and 457(d)(2) of the Code, including that payments commencing before the death of the Participant shall satisfy the incidental death benefit requirements under Section 401(a)(9)(G) of the Code.

**7.04 Minimum Required Distributions.** Notwithstanding any provision of the Plan to the contrary, the Plan shall comply with the minimum required distribution rules set forth in Sections 457(d)(2) and 401(a)(9) of the Code, including the incidental death benefit requirements of Section 401(a)(9)(G) of the Code.

**7.05 Post-Retirement Death Benefits.**

- (a) Should the Participant die after he or she has begun to receive benefits under a payment option, the remaining payments, if any, under the payment option shall continue until the Administrator receives notice of the Participant's death. Upon notification of the Participant's death, benefits shall be payable to the Participant's Beneficiary commencing not later than December 31 of the year following the year of the Participant's death, provided that the Beneficiary may elect to begin benefits earlier than that date.
- (b) In the event that the Beneficiary dies before the payment of death benefits has commenced or been completed, the remaining benefits payable under the payment option applicable to the Beneficiary shall, subject to the



requirements set forth in Section 7.04, be paid to an additional beneficiary designated by the Beneficiary. If no additional beneficiary is named, payment shall be made to the Beneficiary's estate in a lump sum.

- (c) In the event that the Participant's estate is the Beneficiary, payment shall be made to the estate in a lump sum.

#### **7.06 Pre-Retirement Death Benefits.**

- (a) Should the Participant die before he or she has begun to receive the benefits provided by Section 7.01, the value of the Participant's Account shall be payable to the Beneficiary commencing not later than December 31 of the year following the year of the Participant's death, provided that the Beneficiary may elect to begin benefits earlier than that date.
- (b) In the event that the Beneficiary dies before the payment of death benefits has commenced or been completed, the remaining value of the Participant's Account shall be paid to the estate of the Beneficiary in a lump sum. In the event that the Participant's estate is the Beneficiary, payment shall be made to the estate in a lump sum.

#### **7.07 Unforeseeable Emergencies.**

- (a) In the event an unforeseeable emergency occurs, a Participant or Beneficiary may apply to the Employer to receive that part of the value of his or her Account that is reasonably needed to satisfy the emergency need. If such an application is approved by the Employer, the Participant or Beneficiary shall be paid only such amount as the Employer deems necessary to meet the emergency need, but payment shall not be made to the extent that the financial hardship may be relieved through cessation of deferral under the Plan, insurance or other reimbursement, or liquidation of other assets to the extent such liquidation would not itself cause severe financial hardship.
- (b) An unforeseeable emergency shall be deemed to involve only circumstances of severe financial hardship of a Participant or Beneficiary resulting from an illness or accident of the participant or beneficiary, the Participant's or Beneficiary's spouse, or the Participant's or Beneficiary's dependent (as defined in Section 152 of the Code, and, for taxable years beginning on or after January 1, 2005, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code); loss of the Participant's or Beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or the Beneficiary. For example, the imminent foreclosure of or eviction from the Participant's or Beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent (as defined in section 152 of the Code, and, for taxable years beginning on or after January 1, 2005, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code) may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section 7.07(b), the purchase of a home and the payment of college tuition are not unforeseeable emergencies.

#### **7.08 In-Service Distribution of Rollover Contributions.** Effective January 1, 2006, the Employer may elect to allow Participants to receive an in-service distribution of amounts attributable to rollover contributions to the Plan. If the Employer has elected to make such distributions available, a Participant that has a separate account attributable to rollover contributions to the Plan, may at any time request a distribution of all or any portion of the amount attributable to his or her rollover contribution.

**7.09 In-Service Distribution to Participants Age 70-1/2 or Older.** A Participant who has reached age 70 ½ and has not yet had a Severance Event, may, at any time, request a distribution of all or a part of his or her Account. A Participant may only receive two (2) such distributions pursuant to this Section 7.09 in any calendar year.

**7.10 Distribution De Minimis Accounts.** Notwithstanding the foregoing provisions of this Article VII:

- (a) *Mandatory Distribution.* If the value of a Participant's Account is less than \$1,000, the Participant's Account shall be paid to the Participant in a single lump sum distribution, provided that:
  - (1) No amount has been deferred under the Plan with respect to the Participant during the 2-year period ending on the date of the distribution; and
  - (2) There has been no prior distribution under the Plan to the Participant pursuant to this Section 7.10.
- (b) *Voluntary Distribution.* If the value of the Participant's Account is at least \$1,000 but not more than the dollar limit under Section 411(a)(11)(A) of the Code, the Participant may elect to receive his or her entire Account in a lump sum payment if:
  - (1) No amount has been deferred under the Plan with respect to the Participant during the 2-year period ending on the date of the distribution; and
  - (2) There has been no prior distribution under the Plan to the Participant pursuant to this Section 7.10.

## **Article VIII. Loans to Participants**

**8.01 Availability of Loans to Participants.**

- (a) The Employer may elect to make loans available to Participants in this Plan. If the Employer has elected to make loans available to Participants, a Participant may apply for a loan from the Plan subject to the limitations and other provisions of this Article. However, no loans are available from Deemed IRAs.
- (b) The Employer shall establish written guidelines governing the granting of loans, provided that such guidelines are approved by the Administrator and are not inconsistent with the provisions of this Article, and that loans are made available to all Participants on a reasonably equivalent basis.

**8.02 Terms and Conditions of Loans to Participants.** Any loan by the Plan to a Participant under Section 8.01 of the Plan shall satisfy the following requirements:

- (a) *Availability.* Loans shall be made available to all Participants on a reasonably equivalent basis.
- (b) *Interest Rate.* Loans must be adequately secured and bear a reasonable interest rate.
- (c) *Loan Limit.* No Participant loan shall exceed the present value of the Participant's Account.
- (d) *Foreclosure.* In the event of default on any installment payment, the outstanding balance of the loan shall be a deemed distribution. In such event, an actual distribution of a plan loan offset amount will not occur until a distributable event occurs in the Plan.
- (e) *Reduction of Account.* Notwithstanding any other provision of this Plan, the portion of the Participant's Account balance used as a security interest held by the Plan by reason of a loan outstanding to the Participant shall be taken into account for purposes of determining the amount of the Account balance payable at the time of death or distribution, but only if the reduction is used as repayment of the loan.

- (f) *Amount of Loan.* At the time the loan is made, the principal amount of the loan plus the outstanding balance (principal plus accrued interest) due on any other outstanding loans to the Participant from the Plan and from all other plans of the Employer that are either eligible deferred compensation plans described in section 457(b) of the Code or qualified employer plans under Section 72(p)(4) of the Code shall not exceed the lesser of:
- (1) \$50,000, reduced by the excess (if any) of
    - (i) The highest outstanding balance of loans from the Plan during the one (1) year period ending on the day before the date on which the loan is made; or
    - (ii) The outstanding balance of loans from the Plan on the date on which such loan is made; or
  - (2) One-half of the value of the Participant's interest in all of his or her Accounts under this Plan.
- (g) *Application for Loan.* The Participant must give the Employer adequate written notice, as determined by the Employer, of the amount and desired time for receiving a loan. No more than one (1) loan may be made by the Plan to a Participant's in any calendar year. No loan shall be approved if an existing loan from the Plan to the Participant is in default to any extent.
- (h) *Length of Loan.* Any loan issued shall require the Participant to repay the loan in substantially equal installments of principal and interest, at least monthly, over a period that does not exceed five (5) years from the date of the loan; provided, however, that if the proceeds of the loan are applied by the Participant to acquire any dwelling unit that is to be used within a reasonable time (determined at the time of the loan is made) after the loan is made as the principal residence of the Participant, the five (5) year limit shall not apply. In this event, the period of repayment shall not exceed a reasonable period determined by the Employer. Principal installments and interest payments otherwise due may be suspended for up to one (1) year during an authorized leave of absence, if the promissory note so provides, but not beyond the original term permitted under this subsection (h), with a revised payment schedule (within such term) instituted at the end of such period of suspension.
- (i) *Prepayment.* The Participant shall be permitted to repay the loan in whole or in part at any time prior to maturity, without penalty.
- (j) *Promissory Note.* The loan shall be evidenced by a promissory note executed by the Participant and delivered to the Employer, and shall bear interest at a reasonable rate determined by the Employer.
- (k) *Security.* The loan shall be secured by an assignment of the participant's right, title and interest in and to his or her Account.
- (l) *Assignment or Pledge.* For the purposes of paragraphs (f) and (g), assignment or pledge of any portion of the Participant's interest in the Plan and a loan, pledge, or assignment with respect to any insurance contract purchased under the Plan, will be treated as a loan.
- (m) *Other Terms and Conditions.* The Employer shall fix such other terms and conditions of the loan as it deems necessary to comply with legal requirements, to maintain the qualification of the Plan and Trust under Section 457 of the Code, or to prevent the treatment of the loan for tax purposes as a distribution to the Participant. The Employer, in its discretion for any reason, may also fix other terms and conditions of the loan, including, but not limited to, the provision of grace periods following an event of default, not inconsistent with the provisions of this Article and Section 72(p) of the Code, and any applicable regulations thereunder.

### 8.03 Participant Loan Accounts.

- (a) Upon approval of a loan to a Participant by the Employer, an amount not in excess of the loan shall be transferred from the Participant's other investment fund(s), described in Section 6.05 of the Plan, to the Participant's loan account as of the Accounting Date immediately preceding the agreed upon date on which the loan is to be made.
- (b) The assets of a Participant's loan account may be invested and reinvested only in promissory notes received by the Plan from the Participant as consideration for a loan permitted by Section 8.01 of the Plan or in cash. Uninvested cash balances in a Participant's loan account shall not bear interest. Neither the Employer, the Administrator, nor any other person shall be liable for any loss, or by reason of any breach, that results from the Participant's exercise of such control.
- (c) Repayment of principal and payment of interest shall be made by payroll deduction or, where repayment cannot be made by payroll deduction, by check, and shall be invested in one (1) or more other investment funds, in accordance with Section 6.05 of the Plan, as of the next Accounting Date after payment thereof to the Trust. The amount so invested shall be deducted from the Participant's loan account.
- (d) The Employer shall have the authority to establish other reasonable rules, not inconsistent with the provisions of the Plan, governing the establishment and maintenance of Participant loan accounts.

## Article IX. Deemed IRAs

**9.01 General.** This Article IX of the Plan reflects section 602 of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"), as amended by the Job Creation and Worker Assistance Act of 2002. This Article is intended as good faith compliance with the requirements of EGTRRA and is to be construed in accordance with EGTRRA and guidance issued thereunder. This Article IX shall supersede the provisions of the Plan to the extent that those provisions are inconsistent with the provisions of this Article IX.

Effective for Plan Years beginning after December 31, 2002, the Employer may elect to allow Employees to make voluntary employee contributions to a separate account or annuity established under the Plan that complies with the requirements of Section 408(q) of the Code and any regulations promulgated thereunder (a "Deemed IRA"). The Plan shall establish a separate account for the designated Deemed IRA contributions of each Employee and any earnings properly allocable to the contributions, and maintain separate recordkeeping with respect to each such Deemed IRA.

**9.02 Voluntary Employee Contributions.** For purposes of this Article, a voluntary employee contribution means any contribution (other than a mandatory contribution within the meaning of Section 411(c)(2) of the Code) that is made by the Employee and which the Employee has designated, at or prior to the time of making the contribution, as a contribution to which this Article applies.

**9.03 Deemed IRA Trust Requirements.** This Article shall satisfy the trust requirement under Section 408(q) of the Code and the regulations thereto. IRAs established pursuant to this Article shall be held in one or more trusts or custodial accounts (the "Deemed IRA Trusts"), which shall be separate from the Trust established under the Plan to hold contributions other than Deemed IRA contributions. The Deemed IRA Trusts shall satisfy the applicable requirements of Sections 408 and 408A of the Code, which requirements are set forth in section 9.05 and 9.06, respectively, and shall be established with a trustee or custodian meeting the requirements of Section 408(a)(2) of the Code ("Deemed IRA Trustee"). To the extent that the assets of any Deemed IRAs established pursuant to this Article are held in a Deemed IRA Trust satisfying the requirements of this Section 9.03, such Deemed IRA Trust, and any amendments thereto, is hereby adopted as a trust maintained under this Plan with respect to the assets held therein, and the provisions of such Deemed IRA Trust shall control so long as any assets of any Deemed IRA are held thereunder.



**9.04 Reporting Duties.** The Deemed IRA Trustee shall be subject to the reporting requirements of Section 408(i) of the Code with respect to all Deemed IRAs that are established and maintained under the Plan.

**9.05 Deemed Traditional IRA Requirements.** Deemed IRAs established in the form of traditional IRAs shall satisfy the following requirements:

- (a) *Exclusive Benefit.* The Deemed IRA account shall be established for the exclusive benefit of an Employee or his or her Beneficiaries.
- (b) *Maximum Annual Contributions.*
  - (1) Except in the case of a rollover contribution (as permitted by Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3) and 457(e)(16) of the Code), no contributions will be accepted unless they are in cash, and the total of such contributions shall not exceed:  
  
\$3,000 for any taxable year beginning in 2002 through 2004;  
\$4,000 for any taxable year beginning in 2005 through 2007; and  
\$5,000 for any taxable year beginning in 2008 and years thereafter.  
  
After 2008, the limit will be adjusted by the Secretary of the Treasury for cost-of-living-increases under Section 219(b)(5)(C) of the Code. Such adjustments will be in multiples of \$500.
  - (2) In the case of an Employee who is 50 or older, the annual cash contribution limit is increased by:  
  
\$500 for any taxable year beginning in 2002 through 2005; and  
\$1,000 for any taxable year beginning in 2006 and thereafter.
  - (3) No contributions will be accepted under a SIMPLE IRA plan established by any employer pursuant to Section 408(p) of the Code. Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the 2-year period beginning on the date the Employee first participated in that employer's SIMPLE IRA plan.
- (c) *Collectibles.* If the Deemed IRA Trust acquires collectibles with within the meaning of Section 408(m) of the Code after December 31, 1981, Deemed IRA Trust assets will be treated as a distribution in an amount equal to the cost of such collectibles.
- (d) *Life Insurance Contracts.* No part of the Deemed IRA Trust funds will be invested in life insurance contracts.
- (e) *Minimum Required Distributions.*
  - (1) Notwithstanding any provision of this Deemed IRA to the contrary, the distribution of the Employee's interest in the account shall be made in accordance with the requirements of Section 408(a)(6) of the Code and the Income Tax Regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are made from an annuity contract purchased from an insurance company, distributions thereunder must satisfy the requirements of Q&A-4 of Section 1.401(a)(9)-6T of the Income Tax Regulations (or Section 1.401(a)(9)-6 of the Income Tax Regulations, as applicable), rather than paragraphs (2), (3) and (4) below and Section 9.05(f). The minimum required distributions calculated for this IRA may be withdrawn from another IRA of the Employee in accordance with Q&A-9 of Section 1.408-8 of the Income Tax Regulations.
  - (2) The entire value of the account of the Employee for whose benefit the account is maintained will commence to be distributed no later than the first day of April following the calendar year in which

such Employee attains age 70-1/2 (the “required beginning date”) over the life of such Employee or the lives of such Employee and his or her Beneficiary.

- (3) The amount to be distributed each year, beginning with the calendar year in which the Employee attains age 70-1/2 and continuing through the year of death shall not be less than the quotient obtained by dividing the value of the IRA (as determined under section 9.05(f)(3)) as of the end of the preceding year by the distribution period in the Uniform Lifetime Table in Q&A-2 of Section 401(a)(9)-9 of the Income Tax Regulations, using the Employee’s age of his or her birthday in the year. However, if the Employee’s sole Beneficiary is his or her surviving spouse and such spouse is more than 10 years younger than the Employee, then the distribution period is determined under the Joint and Last Survivor Table in Q&A-3 of Section 1.401(a)(9)-9 of the Income Tax Regulations, using the ages as of the Employee’s and spouse’s birthdays in the year.
- (4) The required minimum distribution for the year the Employee attains age 70-1/2 can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.

(f) *Distribution Upon Death.*

- (1) *Death On or After Required Beginning Date.* If the Employee dies on or after the required beginning date, the remaining portion of his or her interest will be distributed at least as rapidly as follows:
  - (i) If the Beneficiary is someone other than the Employee’s surviving spouse, the remaining interest will be distributed over the remaining life expectancy of the Beneficiary, with such life expectancy determined using the Beneficiary’s age as of his or her birthday in the year following the year of the Employee’s death, or over the period described in paragraph (1)(iii) below if longer.
  - (ii) If the Employee’s sole Beneficiary is the Employee’s surviving spouse, the remaining interest will be distributed over such spouse’s life or over the period described in paragraph (1)(iii) below if longer. Any interest remaining after such spouse’s death will be distributed over such spouse’s remaining life expectancy determined using the spouse’s age as of his or her birthday in the year of the spouse’s death, or, if the distributions are being made over the period described in paragraph (1)(iii) below, over such period.
  - (iii) If there is no Beneficiary, or if applicable by operation of paragraph (1)(i) or (1)(ii) above, the remaining interest will be distributed over the Employee’s remaining life expectancy determined in the year of the Employee’s death.
  - (iv) The amount to be distributed each year under paragraph (1)(i), (ii), or (iii), beginning with the calendar year following the calendar year of the Employee’s death, is the quotient obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the Income Tax Regulations. If distributions are being made to a surviving spouse as the sole Beneficiary, such spouse’s remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse’s age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary’s or Employee’s age in the year specified in paragraph 1(i), (ii), or (iii) and reduced by 1 for each subsequent year.
- (2) *Death Before Required Beginning Date.* If the Employee dies before the required beginning date, his or her entire interest will be distributed at least as rapidly as follows:
  - (i) If the Beneficiary is someone other than the Employee’s surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of

the Employee's death, over the remaining life expectancy of the Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Employee's death, or, if elected, in accordance with paragraph (2)(iii) below.

- (ii) If the Employee's sole Beneficiary is the Employee's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Employee's death (or by the end of the calendar year in which the Employee would have attained age 70-1/2, if later), over such spouse's life, or, if elected, in accordance with paragraph (2)(iii) below. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with paragraph (2)(iii) below. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death.
  - (iii) If there is no Beneficiary, or if applicable by operation of paragraph (2)(i) or (2)(ii) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Beneficiary's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under paragraph (2)(ii) above).
  - (iv) The amount to be distributed each year under paragraph (2)(i) or (ii) is the quotient to be obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the Income Tax Regulations. If distributions are being made to a surviving spouse as the sole Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in paragraph (2)(i) or (ii) and reduced by 1 for each subsequent year.
  - (v) The "value" of the IRA includes the amount of any outstanding rollover, transfer and recharacterization under Q&As-7 and -8 of Section 1.408-8 of the Income Tax Regulations.
  - (vi) If the sole Beneficiary is the Employee's surviving spouse, the spouse may elect to treat the IRA as his or her own IRA. This election will be deemed to have been made if such surviving spouse makes a contribution to the IRA or fails to take required distributions as a Beneficiary.
- (g) *Nonforfeitable.* The interest of an Employee in the balance in his or her Deemed IRA account is nonforfeitable at all times.
- (h) *Reporting.* The Deemed IRA Trustee of a Deemed Traditional IRA shall furnish annual calendar-year reports concerning the status of the Deemed IRA account and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue.
- (i) *Substitution of Deemed IRA Trustee.* If the Deemed IRA Trustee is a non-bank trustee or custodian, the non-bank trustee or custodian shall substitute another trustee or custodian if the non-bank trustee or custodian receives notice from the Commissioner of Internal Revenue that such substitution is required because it has failed to comply with the requirements of Section 1.408-2(e) of the Income Tax Regulations and Section 1.408-2T of the Income Tax Regulations

**9.06 Deemed Roth IRA Requirements.** Deemed IRAs established in the form of Roth IRAs shall satisfy the following requirements:

- (a) *Exclusive Benefit.* The Deemed Roth IRA shall be established for the exclusive benefit of an Employee or his or her Beneficiaries.
- (b) *Maximum Annual Contributions.*
  - (1) *Maximum Permissible Amount.* Except in the case of a qualified rollover contribution or recharacterization (as defined in (6) below), no contribution will be accepted unless it is in cash and the total of such contributions to all the Employee's Roth IRAs for a taxable year does not exceed the applicable amount (as defined in (2) below), or the Employee's compensation (as defined in (8) below) if less, for that taxable year. The contribution described in the previous sentence that may not exceed the lesser of the applicable amount or the Employee's compensation is referred to as a "regular contribution." A "qualified rollover contribution" is a rollover contribution that meets the requirements of Section 408(d)(3) of the Code, except the one-rollover-per-year rule of Section 408(d)(3)(B) does not apply if the rollover contribution is from another IRA other than a Roth IRA (a "nonRoth IRA"). Contributions may be limited under (3) through (5) below.
  - (2) *Applicable Amount.* The applicable amount is determined under (i) or (ii) below:
    - (i) If the Employee is under age 50, the applicable amount is:
      - \$3,000 for any taxable year beginning in 2002 through 2004;
      - \$4,000 for any taxable year beginning in 2005 through 2007; and
      - \$5,000 for any taxable year beginning in 2008 and years thereafter.
    - (ii) If the Employee is 50 or older, the applicable amount is:
      - \$3,500 for any taxable year beginning in 2002 through 2004;
      - \$4,500 for any taxable year beginning in 2005;
      - \$5,000 for any taxable year beginning in 2006 through 2007; and
      - \$6,000 for any taxable year beginning in 2008 and years thereafter.
- (3) If (i) and/or (ii) below apply, the maximum regular contribution that can be made to all the Employee's Roth IRAs for the taxable year is the smaller amount determined under (i) or (ii).

After 2008, the limits in paragraph (2)(i) and (ii) above will be adjusted by the Secretary of the Treasury for cost-of-living increases under Section 219(b)(5)(C) of the Code. Such adjustments will be in multiples of \$500.

- (i) The maximum regular contribution is phased out ratably between certain levels of modified adjusted gross income ("modified AGI," defined in (7) below) in accordance with the following table:

Filing Status	Modified AGI		
	Full Contribution	Phase-out Range	No Contribution
Single or Head of Household	\$95,000 or less	Between \$95,000 and \$110,000	\$110,000 or more
Joint Return or Qualifying Widower	\$150,000 or less	Between \$150,000 and \$160,000	\$160,000 or more
Married-Separate Return	\$0	Between \$0 and \$10,000	\$10,000 or more

If the Employee's modified AGI for a taxable year is in the phase-out range, the maximum regular contribution determined under this table for that taxable year is rounded up to the next multiple of \$10 and not reduced below \$200.

- (ii) If the Employee makes regular contributions to both Roth and nonRoth IRAs for a taxable year, the maximum regular contribution that can be made to all the Employee's Roth IRAs for that taxable year is reduced by the regular contributions made to the Employee's nonRoth IRAs for the taxable year.
- (4) *Qualified Rollover Contribution Limit.* A rollover from a nonRoth IRA cannot be made to this IRA if, for the year the amount is distributed from the nonRoth IRA, (i) the Employee is married and files a separate return, (ii) the Employee is not married and has modified AGI in excess of \$100,000 or (iii) the Employee is married and together the Employee and the Employee's spouse have modified AGI in excess of \$100,000. For purposes of the preceding sentence, a husband and wife are not treated as married for a taxable year if they have lived apart at all times during that taxable year and file separate returns for the taxable year.
- (5) *SIMPLE IRA Limits.* No contributions will be accepted under a SIMPLE IRA plan established by any employer pursuant to Section 408(p) of the Code. Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the 2-year period beginning on the date the Employee first participated in that employer's SIMPLE IRA plan.
- (6) *Recharacterization.* A regular contribution to a nonRoth IRA may be recharacterized pursuant to the rules in Section 1.408A-5 of the Income Tax Regulations as a regular contribution to this IRA, subject to the limits in (3) above.
- (7) *Modified AGI.* For purposes of (3) and (4) above, an Employee's modified AGI for a taxable year is defined in Section 408A(c)(3)(C)(i) of the Code and does not include any amount included in adjusted gross income as a result of a rollover from a nonRoth IRA (a "conversion").
- (8) *Compensation.* For purposes of (1) above, compensation is defined as wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips and bonuses) and includes earned income, as defined in Section 401(c)(2) of the Code (reduced by the deduction the self-employed individual



takes for contributions made to a self-employed retirement plan). For purposes of this definition, Section 401(c)(2) of the Code shall be applied as if the term trade or business for purposes of Section 1402 of the Code included service described in subsection (c)(6). Compensation does not include amounts derived from or received as earnings or profits from property (including but not limited to interest and dividends) or amounts not includible in gross income. Compensation also does not include any amount received as a pension or annuity or as deferred compensation. The term “compensation” shall include any amount includible in the Employee’s gross income under Section 71 of the Code with respect to a divorce or separation instrument described in subparagraph (A) of Section 71(b)(2) of the Code. In the case of a married Employee filing a joint return, the greater compensation of his or her spouse is treated as his or her own compensation but only to the extent that such spouse’s compensation is not being used for purposes of the spouse making a contribution to a Roth IRA or a deductible contribution to a nonRoth IRA.

- (c) *Collectibles.* If the Deemed IRA Trust acquires collectibles within the meaning of Section 408(m) of the Code after December 31, 1981, Deemed IRA Trust assets will be treated as a distribution in an amount equal to the cost of such collectibles.
- (d) *Life Insurance Contracts.* No part of the Deemed IRA Trust funds will be invested in life insurance contracts.
- (e) *Distributions Before Death.* No amount is required to be distributed prior to the death of the Employee for whose benefit the account was originally established.
- (f) *Minimum Required Distributions.*
  - (1) Notwithstanding any provision of this IRA to the contrary, the distribution of the Employee’s interest in the account shall be made in accordance with the requirements of Section 408(a)(6) of the Code, as modified by section 408A(c)(5), and the regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are made from an annuity contract purchased from an insurance company, distributions thereunder must satisfy the requirements of section 1.401(a)(9)-6T of the Temporary Income Tax Regulations (taking into account Section 408A(c)(5) of the Code) (or Section 1.401(a)(9)-6 of the Income Tax Regulations, as applicable), rather than the distribution rules in paragraphs (2), (3) and (4) below.
  - (2) Upon the death of the Employee, his or her entire interest will be distributed at least as rapidly as follows:
    - (i) If the Beneficiary is someone other than the Employee’s surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the year of the Employee’s death, over the remaining life expectancy of the Beneficiary, with such life expectancy determined using the age of the beneficiary as of his or her birthday in the year following the year of the Employee’s death, or, if elected, in accordance with paragraph (2)(iii) below.
    - (ii) If the Employee’s sole Beneficiary is the Employee’s surviving spouse, the entire interest will be distributed starting by the end of the calendar year following the calendar year of the Employee’s death (or by the end of the calendar year in which the Employee would have attained age 70-1/2, if later), over such spouse’s life, or, if elected, in accordance with paragraph (2)(iii) below. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse’s death, over the spouse’s Beneficiary’s remaining life expectancy determined using such Beneficiary’s age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with paragraph (2)(iii) below. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse’s remaining life expectancy determined using the spouse’s age as of his or her birthday in the year of the spouse’s death.

- (iii) If there is no Beneficiary, or if applicable by operation of paragraph (2)(i) or (2)(ii) above, the entire interest will be distributed the end of the calendar year containing the fifth anniversary of the Employee's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under paragraph 2(ii) above).
- (iv) The amount to be distributed each year under paragraph (2)(i) or (ii) is the quotient obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the Income Tax Regulations. If distributions are being made to a surviving spouse as the sole Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in paragraph (2)(i) or (ii) and reduced by 1 for each subsequent year.
- (3) The "value" of the IRA includes the amount of any outstanding rollover, transfer and recharacterization under Q&As-7 and -8 of Section 1.408-8 of the Income Tax Regulations.
- (4) If the sole Beneficiary is the Employee's surviving spouse, the spouse may elect to treat the IRA as his or her own IRA. This election will be deemed to have been made if such surviving spouse makes a contribution to the IRA or fails to take required distributions as a Beneficiary.
- (g) *Nonforfeitable.* The interest of an Employee in the balance in his or her account is nonforfeitable at all times.
- (h) *Reporting.* The Deemed IRA Trustee of a Deemed Roth IRA shall furnish annual calendar-year reports concerning the status of the Deemed IRA account and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue.
- (i) *Substitution of Deemed IRA Trustee.* If the Deemed IRA Trustee is a non-bank trustee or custodian, the non-bank trustee or custodian shall substitute another trustee or custodian if the non-bank trustee or custodian receives notice from the Commissioner of Internal Revenue that such substitution is required because it has failed to comply with the requirements of Section 1.408-2(e) of the Income Tax Regulations and Section 1.408-2T of the Income Tax Regulations.

## **Article X. Non-Assignability**

**10.01 General.** Except as provided in Article VIII and Section 10.02, no Participant or Beneficiary shall have any right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments hereunder, which payments and rights are expressly declared to be non-assignable and non-transferable.

### **10.02 Domestic Relations Orders.**

- (a) *Allowance of Transfers:* To the extent required under a final judgment, decree, or order (including approval of a property settlement agreement) that (1) relates to the provision of child support, alimony payments, or marital property rights and (2) is made pursuant to a state domestic relations law, and (3) is permitted under Sections 414(p)(11) and (12) of the Code, any portion of a Participant's Account may be paid or set aside for payment to a spouse, former spouse, child, or other dependent of the Participant (an "Alternate Payee"). Where necessary to carry out the terms of such an order, a separate Account shall be established with respect to the Alternate Payee who shall be entitled to make investment selections with respect thereto in the same manner as the Participant. Any amount so set aside for an Alternate Payee shall be paid in accordance with the form and timing of payment specified in the order. Nothing in this Section shall be construed to authorize any amount to be distributed under the Plan at a time or in a form that is not permitted under Section 457(b) of

the Code and is explicitly permitted under the uniform procedures described in Section 10.2(d) below. Any payment made to a person pursuant to this Section shall be reduced by any required income tax withholding.

- (b) *Release from Liability to Participant:* The Employer's liability to pay benefits to a Participant shall be reduced to the extent that amounts have been paid or set aside for payment to an Alternate Payee to paragraph (a) of this Section and the Participant and his or her Beneficiaries shall be deemed to have released the Employer and the Plan Administrator from any claim with respect to such amounts.
- (c) *Participation in Legal Proceedings:* The Employer and Administrator shall not be obligated to defend against or set aside any judgment, decree, or order described in paragraph (a) or any legal order relating to the garnishment of a Participant's benefits, unless the full expense of such legal action is borne by the Participant. In the event that the Participant's action (or inaction) nonetheless causes the Employer or Administrator to incur such expense, the amount of the expense may be charged against the Participant's Account and thereby reduce the Employer's obligation to pay benefits to the Participant. In the course of any proceeding relating to divorce, separation, or child support, the Employer and Administrator shall be authorized to disclose information relating to the Participant's Account to the Alternate Payee (including the legal representatives of the Alternate Payee), or to a court.
- (d) *Determination of Validity of Domestic Relations Orders:* The Administrator shall establish uniform procedures for determining the validity of any domestic relations order. The Administrator's determinations under such procedures shall be conclusive and binding on all parties and shall be afforded the maximum amount of deference permitted by law.

**10.03 IRS Levy.** Notwithstanding Section 10.01, the Administrator may pay from a Participant's or Beneficiary's Account balance the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

**10.04 Mistaken Contribution.** To the extent permitted by applicable law, if any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Administrator, to the Employer.

**10.05 Payments to Minors and Incompetents.** If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Administrator, benefits will be paid to such persons as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

**10.06 Procedure When Distributee Cannot Be Located.** The Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the Employer or Administrator's records, (b) notification sent to the Social Security Administration or the Pension Benefit Guarantee Corporation (under their program to identify payees under retirement plans), and (c) the payee has not responded within 6 months. If the Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the Trust shall continue to hold the benefits due such person.

## **Article XI. Relationship to Other Plans and Employment Agreements**

This Plan serves in addition to any other retirement, pension, or benefit plan or system presently in existence or hereinafter established for the benefit of the Employer's employees, and participation hereunder shall not affect benefits receivable under any such plan or system. Nothing contained in this Plan shall be deemed to constitute an employment contract or agreement.



between any Participant and the Employer or to give any Participant the right to be retained in the employ of the Employer. Nor shall anything herein be construed to modify the terms of any employment contract or agreement between a Participant and the Employer.

### **Article XII. Amendment or Termination of Plan**

The Employer may at any time amend this Plan provided that it transmits such amendment in writing to the Administrator at least 30 days prior to the effective date of the amendment. The consent of the Administrator shall not be required in order for such amendment to become effective, but the Administrator shall be under no obligation to continue acting as Administrator hereunder if it disapproves of such amendment.

The Administrator may at any time propose an amendment to the Plan by an instrument in writing transmitted to the Employer at least 30 days before the effective date of the amendment. Such amendment shall become effective unless, within such 30-day period, the Employer notifies the Administrator in writing that it disapproves such amendment, in which case such amendment shall not become effective. In the event of such disapproval, the Administrator shall be under no obligation to continue acting as Administrator hereunder.

The Employer may at any time terminate this Plan. In the event of termination, assets of the Plan shall be distributed to Participants and Beneficiaries as soon as administratively practicable following termination of the Plan. Alternatively, assets of the Plan may be transferred to an eligible deferred compensation plan maintained by another eligible governmental employer within the same State if (a) all assets held by the Plan (other than Deemed IRAs) are transferred; (b) the receiving plan provides for the receipt of transfers; (c) the Participants and Beneficiaries whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer; and (d) the Participants or Beneficiaries whose deferred amounts are being transferred is not eligible for additional annual deferrals in the receiving plan unless the Participants or Beneficiaries are performing services for the employer maintaining the receiving plan.

Except as may be required to maintain the status of the Plan as an eligible deferred compensation plan under Section 457(b) of the Code or to comply with other applicable laws, no amendment or termination of the Plan shall divest any Participant of any rights with respect to compensation deferred before the date of the amendment or termination.

### **Article XIII. Applicable Law**

This Plan and Trust shall be construed under the laws of the state where the Employer is located and is established with the intent that it meet the requirements of an "eligible deferred compensation plan" under Section 457(b) of the Code, as amended. The provisions of this Plan and Trust shall be interpreted wherever possible in conformity with the requirements of that Section of the Code.

In addition, notwithstanding any provision of the Plan to the contrary, the Plan shall be administered in compliance with the requirements of Section 414(u) of the Code.

### **Article XIV. Gender and Number**

The masculine pronoun, whenever used herein, shall include the feminine pronoun, and the singular shall include the plural, except where the context requires otherwise.

## DECLARATION OF TRUST

This Declaration of Trust (the "Group Trust Agreement") is made as of the 19th day of May, 2001, by Vantage Trust Company, which declares itself to be the sole Trustee of the trust hereby created.

WHEREAS, the ICMA Retirement Trust was created as a vehicle for the commingling of the assets of governmental plans and governmental units described in Section 818(a)(6) of the Internal Revenue Code of 1986, as amended, pursuant to a Declaration of Trust dated October 4, 1982, as subsequently amended, a copy of which is attached hereto and incorporated by reference as set out below (the "ICMA Declaration"); and

WHEREAS, the trust created hereunder (the "Group Trust") is intended to meet the requirements of Revenue Ruling 81-100, 1981-1 C.B. 326, and is established as a common trust fund within the meaning of Section 391:1 of Title 35 of the New Hampshire Revised Statutes Annotated, to accept and hold for investment purposes the assets of the Deferred Compensation and Qualified Plans held by and through the ICMA Retirement Trust.

NOW, THEREFORE, the Group Trust is created by the execution of this Declaration of Trust by the Trustee and is established with respect to each Deferred Compensation and Qualified Plan by the transfer to the Trustee of such Plan's assets in the ICMA Retirement Trust, by the Trustees thereof, in accord with the following provisions:

- (a) *Incorporation of ICMA Declaration by Reference; ICMA By-Laws.* Except as otherwise provided in this Group Trust Agreement, and to the extent not inconsistent herewith, all provisions of the ICMA Declaration are incorporated herein by reference and made a part hereof, to be read by substituting the Group Trust for the Retirement Trust and the Trustee for the Board of Trustees referenced therein. In this respect, unless the context clearly indicates otherwise, all capitalized terms used herein and defined in the ICMA Declaration have the meanings assigned to them in the ICMA Declaration. In addition, the By-Laws of the ICMA Retirement Trust, as the same may be amended from time-to-time, are adopted as the By-Laws of the Group Trust to the extent not inconsistent with the terms of this Group Trust Agreement.

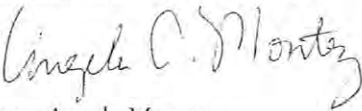
Notwithstanding the foregoing, the terms of the ICMA Declaration and By-Laws are further modified with respect to the Group Trust created hereunder, as follows:

- 1. any reporting, distribution, or other obligation of the Group Trust vis-à-vis any Deferred Compensation Plan, Qualified Plan, Public Employer, Public Employer Trustee, or Employer Trust shall be deemed satisfied to the extent that such obligation is undertaken by the ICMA Retirement Trust (in which case the obligation of the Group Trust shall run to the ICMA Retirement Trust); and
  - 2. all provisions dealing with the number, qualification, election, term and nomination of Trustees shall not apply, and all other provisions relating to trustees (including, but not limited to, resignation and removal) shall be interpreted in a manner consistent with the appointment of a single corporate trustee.
- (b) *Compliance with Revenue Procedure 81-100.* The requirements of Revenue Procedure 81-100 are applicable to the Group Trust as follows:
    - 1. Pursuant to the terms of this Group Trust Agreement and Article X of the By-Laws, investment in the Group Trust is limited to assets of Deferred Compensation and Qualified Plans, investing through the ICMA Retirement Trust.
    - 2. Pursuant to the By-Laws, the Group Trust is adopted as a part of each Qualified Plan that invests herein through the ICMA Retirement Trust.
    - 3. In accord with the By-Laws, that part of the Group Trust's corpus or income which equitably belongs to any Deferred Compensation and Qualified Plan may not be used for or diverted to any purposes other than for the exclusive benefit of the Plan's employees or their beneficiaries who are entitled to benefits under such Plan.

4. In accord with the By-Laws, no Deferred Compensation Plan or Qualified Plan may assign any or part of its equity or interest in the Group Trust, and any purported assignment of such equity or interest shall be void.
- (c) *Governing Law.* Except as otherwise required by federal, state or local law, this Declaration of Trust (including the ICMA Declaration to the extent incorporated herein) and the Group Trust created hereunder shall be construed and determined in accordance with applicable laws of the State of New Hampshire.
- (d) *Judicial Proceedings.* The Trustee may at any time initiate an action or proceeding in the appropriate state or federal courts within or outside the state of New Hampshire for the settlement of its accounts or for the determination of any question of construction which may arise or for instructions.

IN WITNESS WHEREOF, the Trustee has executed this Declaration of Trust as of the day and year first above written.

VANTAGETRUST COMPANY

By: 

Name: Angela Montez

Title: Assistant Secretary



ICMA RETIREMENT CORPORATION  
GOVERNMENTAL 457 DEFERRED COMPENSATION  
AMENDMENT FOR POST-EGTRRA LEGISLATIVE AND REGULATORY CHANGES

Pursuant to Article XII of the ICMA Retirement Corporation Governmental Deferred Compensation Plan & Trust (the "Plan"), ICMA Retirement Corporation, as Plan Administrator, hereby adopts this Amendment on behalf of all adopting Employers to add a new Appendix A as follows, effective as provided therein.

**Appendix A**

**ARTICLE I  
PREAMBLE**

- 1.01 Applicability.** This Appendix memorializes the operation of the Plan in accordance with the following legislative and regulatory items.
- (a) Pension Protection Act of 2006;
  - (b) Emergency Economic Stabilization Act of 2008;
  - (c) Worker, Retiree, and Employer Recovery Act of 2008;
  - (d) Katrina Emergency Tax Relief Act of 2005; and
  - (e) Gulf Opportunity Zone Act of 2005.
- 1.02 Superseding of Inconsistent Provisions.** This Appendix supersedes the provisions of the Plan and Adoption Agreement to the extent those provisions are inconsistent with the provisions of this Appendix.
- 1.03 Construction.** Except as otherwise provided herein, any reference to "Section" in this Appendix refers only to sections within this Appendix and is not a reference to the Plan. The Article and Section numbering in this Appendix is solely for purposes of this Appendix and does not relate to any Plan article, section, or other numbering designations.

**ARTICLE II  
PENSION PROTECTION ACT OF 2006**

- 2.01 Background.** On August 17, 2006, the Pension Protection Act, Pub. L. No. 109-280 ("PPA"), became law. It amended the Code to provide for a number of changes with regard to Code section 401(a) plans and Code section 457 plans. This Article incorporates the relevant provisions of PPA into the Plan.
- 2.02 Required Notice for Participant Distributions.** With respect to any distribution notice and election form that is, under the terms of the Plan, to be delivered 90 days before the date as of which a distribution is to be made, the window for giving Participants such distribution notices and election forms shall be extended to 180 days before the date as of which a distribution is to commence. This Section 2.02 shall be effective for calendar years beginning after December 31, 2006.
- 2.03 Rollover by a Non-Spouse Designated Beneficiary.**
- (a) Unless otherwise elected by the Employer, for Plan Years beginning after December 31, 2006 but on or before December 31, 2009, a non-spouse Beneficiary who qualifies as a "designated beneficiary" under Code section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an Inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.



- (b) Notwithstanding the election made in subsection (a), for Plan Years beginning after December 31, 2009, a non-spouse Beneficiary who qualifies as a “designated beneficiary” under Code section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an Inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.
- (c) Notwithstanding anything herein to the contrary, a death benefit distribution shall not be eligible for transfer to an Inherited IRA to the extent such distribution is a required minimum distribution under Code section 401(a)(9).

#### **2.04 Distributions for Unforeseen Financial Emergencies.**

- (a) Unless otherwise elected by the Employer, after August 31, 2007, the determination of any unforeseen emergency will be expanded to include circumstances of severe financial hardship resulting from an illness or accident of a Primary Beneficiary or other similar extraordinary and unforeseeable circumstances of a Primary Beneficiary that result in a severe financial hardship.
- (b) A “Primary Beneficiary” is an individual or individuals who are named as a Beneficiary under the terms of the Plan and who have a right to all or a portion of the Participant’s account balance upon the Participant’s death.

#### **2.05 Distributions for Health and Long-Term Care Insurance for Public Safety Officers.**

- (a) If elected by the Employer, for Plan Years beginning after December 31, 2006, Eligible Retired Public Safety Officers may elect after separation from service to have up to \$3,000 distributed tax-free annually from the Plan in order to pay for Qualified Health Insurance Premiums for an accident or health plan (including a self-insured plan) or a qualified long-term care insurance contract. The Plan shall make such distributions directly to the provider of the accident or health plan or qualified long-term care insurance contract.
- (b) The term “Eligible Retired Public Safety Officer” means an individual who, by reason of disability or attainment of normal retirement age, is separated from service as a Public Safety Officer with the employer who maintains the eligible retirement plan from which distributions pursuant to this Article are made. The term “Public Safety Officer” has the same meaning given such term by section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968.
- (c) The term “Qualified Health Insurance Premiums” means premiums for coverage for the Eligible Retired Public Safety Officer, his spouse, and dependents, by an accident or health insurance plan or qualified long-term care insurance contract (as defined in Code section 7702(B)).

#### **2.06 Rollovers to Roth IRAs.** Effective for distributions after December 31, 2007, a Participant may elect to have any portion of an Eligible Rollover Distribution paid directly to a Roth IRA described in Code section 408A.

### **ARTICLE III EMERGENCY ECONOMIC STABILIZATION ACT OF 2008**

**3.01 Background.** On October 3, 2008, the Emergency Economic Stabilization Act of 2008, Pub. L. No. 110-343 (“EESA”), became law. With regard to retirement plans, EESA generally permits plans to allow repayments of certain prior qualified distributions for home purchases for participants affected by certain 2008 Midwestern severe storms, tornadoes, and flooding and to permit repayments of prior qualified distributions for home purchases. This Article incorporates the relevant provisions of EESA into the Plan.

**3.02 Qualified Disaster Recovery Assistance Distributions and Repayment Thereof.** The provisions relating to qualified disaster recovery assistance distributions and repayment thereof set forth in section 702 of EESA shall apply to the Plan.

- 3.03 Repayment of Prior Qualified Distributions for Home Purchases to Plan.** The provisions relating to repayment of prior qualified distributions for home purchases set forth in section 702 of EESA shall apply to the Plan.

ARTICLE IV  
WORKER, RETIREE, AND EMPLOYER RECOVERY ACT OF 2008

- 4.01 Background.** On December 23, 2008, the Worker, Retiree, and Employer Recovery Act of 2008, Pub. L. No. 110-458 ("WRERA"), became law. WRERA amended Code section 401(a)(9) to suspend required minimum distributions for 2009. It is also possible that legislation will be enacted in the future that suspends required minimum distributions for 2010 or a later year. This Article incorporates the relevant provisions of WRERA into the Plan and describes the Plan terms that will apply in the event that required minimum distributions are suspended in a year subsequent to 2009.
- 4.02 Application of Minimum Distribution Requirements.** The minimum distribution requirements of section 401(a)(9) of the Code shall only apply to the Plan to the extent that such requirements are applicable by law for a year.
- 4.03 Special Rule for Scheduled Installment Payments.** All installment payments scheduled to be distributed to a Participant prior to the effective date of a suspension of the required minimum distribution provisions of Code section 401(a)(9) shall be distributed as scheduled unless the Participant affirmatively elects to have the payments stopped. Notwithstanding the foregoing, for purposes of this Section 4.03, the effective date of the suspension of the required minimum distribution provisions for 2009 shall be deemed January 6, 2009.

ARTICLE V  
KATRINA EMERGENCY TAX RELIEF ACT OF 2005  
AND GULF OPPORTUNITY ZONE ACT OF 2005

- 5.01 Background.** On September 23, 2005, the Katrina Emergency Tax Relief Act of 2005, Pub. L. No. 109-73 ("KETRA"), became law, and on December 21, 2005, the Gulf Opportunity Zone Act of 2005, Pub. L. No. 109-135 ("GOZA"), became law. Generally, KETRA and GOZA permit plans to allow repayments of certain prior qualified distributions for home purchases for Participants affected by Hurricanes Katrina, Rita, and/or Wilma. This Article incorporates the relevant provisions of KETRA and GOZA into the Plan.
- 5.02 Qualified Hurricane Distributions and Repayment Thereof.** The provisions relating to qualified hurricane distributions and repayment thereof set forth in section 1400Q(a) of the Code shall apply to the Plan.
- 5.03 Repayment of Prior Qualified Distributions for Home Purchases to Plan.** The provisions relating to repayment of prior qualified distributions for home purchases set forth in Code section 1400Q(b) shall apply to the Plan.





**HURON-CLINTON METROPOLITAN AUTHORITY**  
**Resolutions Approving Amendments to Section 457 Deferred Compensation Plan**

WHEREAS, the Huron-Clinton Metropolitan Authority ("Authority") has maintained and wishes to continue a Deferred Compensation Plan ("Plan") under Section 457 of the Internal Revenue Code ("Code"); and

WHEREAS, the Authority has decided to use standardized documentation provided by ICMA in order to amend and restate the Plan and bring it into compliance with current law; and

WHEREAS, management has worked with legal counsel to review the standardized documentation and to prepare a form of Trust Agreement to be used with multiple vendors; and

WHEREAS, the Board of Commissioners believes it is in the best interests of the Authority to adopt the amended and restated Deferred Compensation Plan and Trust Agreement as well as the separate Trust Agreement in the forms reviewed or prepared by legal counsel and distributed to Board members.

IT IS THEREFORE RESOLVED that the Board of Commissioners hereby adopts and approves the ICMA Retirement Corporation Deferred Compensation Plan and Trust, including attached ICMA amendments (collectively, the "ICMA Plan"), as the Authority's amended and restated 457 Plan and also adopts and approves the Huron-Clinton Metropolitan Authority Section 457 Deferred Compensation Trust Agreement (the "457 Trust") to supersede the inconsistent trust provisions of the ICMA Plan.

RESOLVED, FURTHER that the Chairman, the Secretary and the Executive Secretary of the Authority are authorized to execute and deliver the ICMA Plan and the 457 Trust on behalf of the Authority, including agreeing to any minor, non-substantive amendments to those documents as approved by legal counsel and also to do any and all other acts or things and to execute any documents which may be or become necessary or advisable to carry out the foregoing resolutions.

RESOLVED, FURTHER that the assets of the Plan shall be held in trust, with the Employer serving as trustee, for the exclusive benefit of the Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose.

RESOLVED, FURTHER that the Employer hereby agrees to serve as trustee under the Plan.

RESOLVED, FURTHER that the Controller shall be the coordinator for this program; shall receive necessary reports, notices, etc. from the ICMA Retirement Corporation or the Vantage Trust Company or AXA Equitable or Frontier Trust Company; shall cast, on behalf of the Employer, any required votes under the Vantage Trust Company or AXA Equitable or Frontier Trust Company; Administrative duties to carry out the plan may be assigned to the appropriate departments, and is authorized to execute all necessary agreements with the ICMA Retirement Corporation and AXA Equitable incidental to the administration of the Plan.

I, Gregory J. Almas, Executive Secretary of the Huron-Clinton Metropolitan Authority, hereby certify that the foregoing resolutions were duly adopted and passed by the Board of Commissioners of the Authority at a meeting of such Board held on August 12, 2010.

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Gregory J. Almas, Executive Secretary



**HURON-CLINTON METROPOLITAN AUTHORITY  
SEC. 457 DEFERRED COMPENSATION  
TRUST AGREEMENT**

Agreement made this 12<sup>th</sup> day of August, 2010, (the "Agreement") by and between the HURON-CLINTON METROPOLITAN AUTHORITY (hereinafter called the "Authority") and the following trust companies VANTAGE TRUST COMPANY and AXA-EQUITABLE FRONTIER TRUST COMPANY (each hereinafter, with its successors, called a "Trustee"); provided that each Trustee shall act as investment fiduciary only as to those assets of the Plan transferred to such trustee and shall not act as co-trustees with respect to assets transferred to the other trustee.

**BACKGROUND:**

- A. Employees of the Authority make elective contributions to the Authority's DEFERRED COMPENSATION PLAN (the "Plan") established under Section 457 of the Internal Revenue Code ("Code").
- B. The Authority desires to continue a trust (the "Trust") to which the Authority may contribute amounts which Employees elect to have withheld from their compensation and contributed to the Plan, plus income on the foregoing amounts. The provisions of this Trust Agreement shall supersede any inconsistent trust provisions in the Plan document, including but not limited to the provisions of Article VI.
- C. It is the specific intention of the Authority that the Trust meet the requirements of Code Section 457(g) as a trust to hold assets and income of the Plan for the exclusive benefit of the participants and beneficiaries of the Plan.

THEREFORE, the Authority and each Trustee agree:

**ARTICLE I  
THE TRUST FUND**

1.01 Designation of Trust Fund. The Trust shall be known as the HURON-CLINTON METROPOLITAN AUTHORITY SEC. 457 DEFERRED COMPENSATION TRUST and shall be comprised of all contributions to the Plan made by Employees of the Authority and all other money or property as shall lawfully come into the hands of the Trustee, together with the income, capital gains and all other increments of any nature whatsoever thereto (all of which when held by the Trustee are collectively referred to as the "Trust Fund"), all of which shall be held, managed and administered in trust pursuant to the terms of this Agreement.

1.02 Purposes. The purposes of the Trust Fund are to hold contributions made by the Authority's Employees to the Plan, together with any earnings on these contributions, if any, and to provide for the payment of benefits to participants in the Plan and to their beneficiaries, and the payment of reasonable expenses of administering such plan.

1.03 No Inurement to the Authority. Subject to Section 1.07, the assets of the Trust Fund shall never inure to the benefit of the Authority and shall be held exclusively for the purposes described in 1.02 above.

1.04 No Duty to Enforce. Under the terms of this Agreement, the Trustee shall be under no duty to enforce payment of any money to the Trust Fund and shall not be responsible for the

adequacy of the Trust Fund to meet and discharge liabilities under the Plan. Should the Trust Fund be depleted, the Trustee shall have no liability to pay any unpaid claims under the Plan or any unpaid expenses in connection with the Plan or the Trust.

1.05 Administration of Plan. The Trustee shall not, solely because of this Agreement, be under any duty whatsoever with respect to the administration of the Plan, it being intended to state expressly in this Agreement all of the powers, rights, duties and obligations of the Trustee hereunder.

1.06 Plan Administrator. The Administrator of the Plan has full responsibility for and control of the administration of the Plan and, except as specifically provided otherwise herein, the powers necessary to carry out the provisions of the Plan.

1.07 Mistaken Contributions. Contributions made to the Trust Fund by reason of a mistake of fact may be returned to the Authority and to the Employee as soon as practicable after the discovery of the mistake.

## **ARTICLE II TRUSTEE'S FIDUCIARY DUTIES**

2.01 Duties. The Trustee shall discharge its duties in accordance with the applicable provisions of the Code and other law, and with this Agreement to the extent its provisions are consistent with the provisions of the Code and other law.

2.02 Breach of Duties. To the extent permitted by law, the Trustee shall not be liable with respect to a breach of any fiduciary duty if such breach was committed before he became a fiduciary or after he ceased to be a fiduciary. At any time when the Trustee consists of more than one individual, the preceding sentence shall apply to each such individual separately.

2.03 Acts of Other Fiduciaries. To the extent permitted by law, the Trustee shall not be responsible for the acts or omissions of any other fiduciary under this Agreement or under the Plan. At any time when the Trustee consists of more than one individual, the preceding sentence shall apply to each such individual in respect of the acts and omissions of the other individual(s).

2.04 Delegation. The Trustee may designate in writing a person or persons other than himself to carry out fiduciary responsibilities under the Trust, except where such responsibilities are non-delegable as a matter of law. The Trustee or any other fiduciary designated by the Trustee to carry out fiduciary responsibilities may employ or retain one or more persons to render services with regard to any responsibility such fiduciary has under the Trust. No person serving as such fiduciary or employed or retained by such fiduciary who is an officer or Employee of the Authority shall receive any additional compensation for the performance of his duties hereunder. A fiduciary may serve in more than one fiduciary capacity with respect to the Trust or the Plan. A fiduciary's responsibility shall be limited to performance of those duties conferred upon such fiduciary by law or pursuant to this Agreement.

2.05 Bonds. Every fiduciary shall be bonded to the extent (1) required by law or applicable regulations or (2) directed by the Authority.

### **ARTICLE III EMPLOYEE CONTRIBUTIONS**

3.01 Employee Contributions. All contributions made by Employees to the Plan (other than contributions which are promptly transferred to custodial accounts or used to purchase annuity contracts as provided in Code Section 457(g)) shall be paid by the Authority to the Trust as soon as practicable and in all events within 15 business days following the month in which those amounts would otherwise have been paid to the Employees.

3.02 Contribution Records. Unless maintained by the Authority or the Administrator of the Plan, the Trustee shall maintain, or direct a professional administrator ("Third Party Administrator") to maintain, accurate books and records which books and records shall reflect the dates and amounts of Employee contributions to the Plan and their accrued benefits under the Plan.

### **ARTICLE IV INVESTMENT OF THE TRUST FUND**

4.01 Investment of Assets. Subject to the provisions of Sections 4.03 and 6.01 below, the Trustee may invest and reinvest the assets of the Trust Fund in such securities and such other property, tangible or intangible, as the Trustee shall deem advisable, whether or not such investments and reinvestments are authorized by state law for the investment of trust funds generally; provided, however, that the Trustee shall diversify the investments of the Trust Fund to the extent that it is prudent to do so. The Trustee shall not invest in real property, or interests therein, unless such investment is specifically approved by the Authority's governing board.

4.02 Permitted Investments. Subject to the provisions of Sections 4.03 and 6.01 below, the Trustee may invest all or any part of the assets of the Trust Fund in interest-bearing deposits with a bank, insurance company, or similar financial institution notwithstanding the fact that such bank, insurance company or other institution is a fiduciary with respect to the Plan, including, but not limited to, investments in time deposits, savings deposits, certificates of deposit, interest bearing checking accounts, or time accounts which bear a reasonable rate of interest, or common or commingled trust funds maintained by a bank or other financial institution. Also, notwithstanding the foregoing, the Trustee may invest part of the assets of the Trust Fund in a noninterest bearing checking account or accounts in anticipation of the need to make payments from the Trust Fund. All withdrawals from such banks, insurance companies or financial institutions shall be made only by the Trustee or a person or persons authorized by the Trustee to perform such transactions for the Trust Fund.

4.03 Investment Control. Except as otherwise provided in this Section 4.03, the Trustee shall have full discretion with respect to the investment, management and control of the assets of the Plan held in the Trust Fund. If the Authority so directs the Trustee and advises the Plan participants in writing, each participant may direct the Trustee with respect to the investment of its Account among investment funds selected by the Authority. Also, the Authority may assume responsibility for control the investment and management of some or all of the assets of the Trust Fund by giving Trustee ten business days' written notice to that effect. Upon the effective date(s) of participant direction and/or the Authority's assumption of investment responsibility, the Trustee shall be relieved of all responsibility with respect to the investment, management and control of the affected assets and the Trustee shall not be liable or responsible for any consequences arising from compliance with investment or management directions received by the Trustee from participants or from the Authority. The Trustee shall be under no duty to question any direction of a participant or of the Authority nor to review in any respect the manner in which either exercises discretion and discharges duties with respect to the assets of the Trust

Fund as to which either has assumed investment responsibility. Each and every other duty of the Trustee hereunder shall continue notwithstanding exercise of the authority granted in this Article IV.

## **ARTICLE V PAYMENTS FROM THE TRUST FUND**

5.01 Payments from Trust Fund. The Administrator of the Plan, or its designee, shall give written authorization and direction to the Trustee to make payments from the assets held by the Trustee that are allocable to the Plan for the purposes enumerated below:

- (a) To pay benefits provided for in the Plan;
- (b) To pay any federal, state or local taxes which may be properly imposed on or levied against the assets of the Trust Fund allocable to the Plan or benefits paid therefrom;
- (c) To pay any federal, state or local withholding taxes which may be properly imposed on or levied against the assets of the Trust Fund or the Authority by reason of the payment of benefits from the Plan to its participants or beneficiaries;
- (d) To pay premiums on any insurance or make deposits with an insurance company or custodian for the purpose of providing benefits for participants in the Plan;
- (e) To make such other payments as the Administrator of the Plan, or its designee, deems to be in accordance with the purposes of the Plan and consistent with the Code and other applicable law.

The Trustee shall make such payments promptly if and to the extent that the Trust Fund has sufficient assets allocated to the Plan available for the purpose intended. The Administrator may designate a professional Third Party Administrator to administer any or all of the Plan, and in this connection the Administrator, and/or the Trustee at the direction of the Administrator, may authorize one or more employees of such Third Party Administrator to issue and sign checks in payment of claims under the Plan drawn on an account maintained by the Trust for the payment of such claims.

5.02 Payments Properly Made. To the extent permitted by law, the Trustee shall be under no liability for any payment made in accordance with the directions of the Administrator of the Plan.

5.03 Spendthrift Clause. No assignment, alienation, anticipation, sale, transfer, pledge, encumbrance of, or charge upon, any benefit or any installment thereof shall be recognized by the Trustee nor shall any attachment or garnishment of or other legal process against the Trust Fund or any benefit or any installment thereof be recognized by the Trustee, except as he may be required to do so by law, or except as the Administrator of the Plan may authorize or direct and certify as being in accordance with the Plan.

5.04 Domestic Relations Orders.

- (a) To the extent required under final judgment, decree or order (including approval of a property settlement agreement) made pursuant to a state domestic

relations law, any portion of a participant's Account may be paid or set aside for payment to a spouse, former spouse, or child of the participant. Where necessary to carry out the terms of such an order, a separate Account shall be established with respect to the spouse, former spouse, or child who shall be entitled to make investment selections with respect thereto in the same manner as the participant; any amount so set aside for a spouse, former spouse, or child shall be paid out in a lump sum at the earliest date that benefits may be paid to the participant, unless the order directs a different time or form of payment. Nothing in this Section shall be construed to authorize any amount to be distributed under the Plan at a time or in a form that is not permitted under Section 457 of the Code. Any payment made to a person other than the participant pursuant to this Section shall be reduced by required income tax withholding; the fact that payment is made to a person other than the participant may not prevent such payment from being includible in the gross income of the participant for withholding and income tax reporting purposes.

(b) The Authority's liability to pay benefits to a participant shall be reduced to the extent that amounts have been paid or set aside for payment to a spouse, former spouse, or child pursuant to paragraph (a) of this Section. No such transfer shall be effectuated unless the Authority or Administrator has been provided with satisfactory evidence that the Authority and the Administrator are released from any further claim with respect to such amounts, in any case in which (i) the Authority or Administrator has been served with legal process or otherwise joined in a proceeding relating to such transfer, (ii) the participant has been notified of the pendency of such proceeding in the manner prescribed by law of the jurisdiction in which the proceeding is pending for service of process in such action or by mail from the Authority or Administrator to the participant's last known mailing address, and (iii) the participant fails to obtain an order of the court in the proceeding relieving the Authority or Administrator from the obligation to comply with the judgment, decree, or order.

(c) The Authority and Administrator shall not be obligated to defend against or set aside any judgment, decree, or defend against or set aside any judgment, decree, order described in paragraph (a), or any legal order relating to the garnishment of a participant's benefits, unless the full expense of such legal action is borne by the participant. In the event that the participant's action (or inaction) nonetheless causes the Authority or Administrator to incur such expense, the amount of the expense may be charged against the participant's Account and thereby reduce the Authority's obligation to pay benefits to the Participant. In the course of any proceeding relating to divorce, separation, or child support, the Authority and Administrator shall be authorized to disclose information relating to the participant's Account to the participant's spouse, former spouse, or child (including the legal representatives of the spouse, former spouse, or child), or to a court.

## **ARTICLE VI POWERS OF THE TRUSTEE**

6.01 Trustee Powers. Subject to the provisions of Article IV above, the Trustee is authorized and empowered in its discretion and in addition to such other powers as are set forth herein or conferred by law, but not by way of limitation:

(a) To sell, exchange, convey, transfer, assign, or dispose of, and also grant options with respect to, any property at any time held by him, and any sale

may be made by private contract or by public auction, and for cash or upon credit, or partly for cash and partly upon credit, as the Trustee may deem best, and no person dealing with the Trustee shall be bound to see to the application of the purchase money or to inquire into the validity, expediency or propriety of any such sale or other disposition;

(b) To acquire, hold and dispose of any real estate if authorized by the governing board of the Authority. at such time, in such manner and upon such terms as the Trustee may deem advisable (subject to any conditions imposed by such governing board); to retain, manage, operate, repair, improve, partition, mortgage or lease for any term or terms of years any such real estate, or to exchange all or any part thereof for other real estate, upon such terms and conditions as the Trustee deems proper, using other Trust assets for any such purposes if deemed advisable;

(c) To compromise, compound and settle any debt or obligation due to or from him as Trustee and to reduce the rate of interest on, to extend or otherwise modify, or to foreclose upon, default or otherwise enforce or act with respect to any such obligation;

(d) To vote, in person or by general or limited proxy, any stocks or other securities at any time held in the Trust Fund, at any meeting of stockholders or security holders, in respect to any business which may come before the meeting; to exercise any options appurtenant to any stocks, bonds or other securities for the conversion thereof into other stocks, bonds or securities; to exercise or sell any conversion, exchange or subscription rights appurtenant to any stocks, bonds or other securities at any time held in the Trust Fund, and to make any and all necessary payments therefor; to join in, and to approve, or to dissent from and oppose, any corporate act or proceeding, including any reorganization, recapitalization, consolidation, merger, dissolution, liquidation, sale of assets or other action by or plan in respect of corporations or properties, the stocks or securities of which may at any time be held in the Trust Fund; to deposit with any committee or depository, pursuant to any plan or agreement of protection, reorganization, consolidation, sale, merger, or other readjustment, any property held in the Trust Fund; and to make payment from the Trust Fund of any charges or assessments imposed by the terms of any such plan or agreement;

(e) To accept and hold any securities or other property received by him under the provisions of any of the subdivisions of this Section 6.01;

(f) To borrow or raise moneys for the purposes of the Trust Fund to the extent that the Trustee shall deem desirable, and for any sums so borrowed or advanced, to issue its promissory note as Trustee and to secure repayment thereof by pledging all or any part of the Trust Fund;

(g) To enforce any right, obligation or claim in its discretion and in general to protect in any way the interests of the Trust Fund, either before or after default, and in case the Trustee shall, in its discretion, consider such action for the best interest of the Trust Fund, to abstain from the enforcement of any right, obligation or claim and to abandon any property which at any time may be held by the Trustee;



(h) To make, execute, acknowledge and deliver any and all deeds, leases, assignments, transfers, conveyances and any and all other instruments necessary or appropriate to carry out any powers herein granted;

(i) To cause any investments from time to time held by him hereunder to be registered in, or transferred into, its name as Trustee or the name of its nominee or nominees, and with or without designation of fiduciary capacity, or to retain any investments unregistered or in form permitting transfer by delivery, but the books and records of the Trustee shall at all times show that all such investments are part of the Trust Fund;

(j) To employ such agents, investment advisors, custodians, attorneys or other persons as the Trustee shall deem necessary to assist him in the performance of his duties hereunder;

(k) To hold any part or all of the Trust Fund uninvested for limited periods of time for the purpose of defraying anticipated benefits or expenses of the Trust;

(l) To apply for and hold as legal owner thereof any and all insurance contracts as designated by the Administrator by which benefits are provided to participants in the Plan and to exercise all rights, options and privileges under or incident to such contracts in the manner directed and approved by the Administrator;

(m) To do all acts which the Trustee may deem necessary or appropriate for the proper administration of the Trust Fund or to exercise any and all of the powers of the Trustee under this Agreement upon such terms and conditions as to the Trustee may deem for the best interests of the Trust Fund.

6.02 Asset Location. The Trustee shall not permit the indicia of ownership of any asset of the Trust Fund to be maintained at a location outside the jurisdiction of the Authority Courts of the United States, except as authorized by applicable law.

6.03 Reliance of Trustee. The Trustee shall incur no liability in acting upon any instrument, application, notice, request, signed letter, telegram or other paper or document believed by him to be genuine and to contain a true statement of facts, and to be signed or sent by the proper person. The Trustee may rely upon, and shall not be liable for any action taken or omitted to be taken in reliance upon, the advice, opinion, records, reports or recommendation of any attorney or certified public accountant selected by the Trustee with reasonable care.

6.04 Expenses of Administration. All expenses of administering this Trust or the Plan shall be paid by the Authority; provided, however, that if such expenses are not paid by the Authority, the Trustee shall be entitled to pay such expenses, including compensation of the Trustee, if any, and reimbursement for expenses paid by the Trustee, from the Trust Fund. In addition, the costs and expenses, including legal fees, for any action, suit or proceeding, brought against the Trustee relating to this Trust shall be paid by the Authority; provided, however, that the Authority shall not pay such costs or expenses if it is adjudged in the action, suit or proceeding that the Trustee (or any individual trustee) was guilty of gross negligence or willful misconduct. The Trustee may purchase out of its corporate assets (which are not Trust assets) insurance for the benefit of the Trust Fund against any losses by reason of errors or omissions of the Trustee in which event no insurer shall be entitled to rely upon any of the

provisions hereunder imposing liability on the Trustee for gross negligence, willful misconduct or lack of good faith. Purchase of errors and omissions insurance shall not be deemed contrary to the provision herein excluding reimbursement of the Trustee's expenses when there is a finding of gross negligence, willful misconduct or lack of good faith if such insurance insures against such behavior.

**6.05 Plan-to-Plan Transfers and Rollovers.** Pursuant to the terms of the Plan:

(a) Upon the election of a Participant, distribution of all or a portion of the amounts held in the Participant's Account upon severance from employment may be rolled over to another Eligible Plan, as defined within the Plan, if the Eligible Plan receiving such amounts provides for their acceptance.

(b) Upon the election of a Participant, all or a portion of the amounts held on behalf of a Participant of this Plan may be rolled over to another governmental plan created pursuant to Code section 457(b).

(c) The Trustee shall, upon the written direction of a Participant, transfer all or a portion of such Participant's account to a governmental defined benefit plan, as defined in the Internal Revenue Code, for the purpose of (i) purchasing service credits, or (ii) to repay previously refunded forfeitures. Transfer of amounts are conditioned upon the receiving plan permitting the purchase of service credits or repayment of forfeitures in the manner described herein.

(d) The Trust shall accept rollovers of distributions from an Eligible Plan, as defined within the Plan, excluding any after-tax IRA amounts held in such plans. Amounts accepted as rollovers shall be segregated within a Rollover Account.

## **ARTICLE VII COMPENSATION AND REIMBURSEMENT OF THE TRUSTEE**

7.01 Trustee Compensation. Any Trustee shall receive compensation as agreed to in writing with the Authority for the performance of its duties hereunder and in accordance with the terms hereof.

7.02 Trustee Expenses. The Trustee shall be reimbursed for all reasonable and necessary expenses which he may incur in the performance of its duties, including, without limitation, any expenses, fees or other costs which he may incur in defending or prosecuting any action or actions brought by or against him by virtue of serving as Trustee hereunder, and including reasonable fees and expenses for agency and legal services rendered to the Trustee.

7.03 Costs Charged to Trust Fund. Trustee compensation, if any, and reimbursements of expenses shall be paid to the Trustee by the Authority, and if not so paid, shall be chargeable against, deductible from, and shall constitute a lien upon, the Trust Fund.

## **ARTICLE VIII TAXES**

8.01 Taxes as Expenses. Any taxes, including personal property taxes, income taxes, transfer taxes and other taxes of any kind whatsoever that may under any existing or future laws be assessed against or levied upon or in respect of the Trust Fund or its assets or any interest therein and which the Trustee is required to pay, and any expense incurred by the Trustee in contesting the validity of any such taxes, shall be considered expenses of the Trustee and shall

be paid in accordance with the provisions of Article VI hereof, or, if paid by Trustee, reimbursed to the Trustee in accordance with the provisions of Article VII hereof. The word "taxes" in this Article VIII shall not be deemed to include any interest or penalties that may be levied or imposed in respect of any taxes.

## **ARTICLE IX ACCOUNTING AND RECORD KEEPING**

9.01 Allocation of Trust Fund. The Trustee shall establish separate bookkeeping accounts for the Plan and, as appropriate, for each participant or beneficiary thereof. Contributions to and earnings and losses of the Trust Fund, if any, shall be allocated to the separate accounts within the Plan in accordance with the written instructions of the Authority.

9.02 Books of Account. The Trustee shall keep accurate and detailed accounts of all investments, receipts, disbursements, and other transactions entered into during its administration of the Trust. Within ninety (90) days following the close of each fiscal year, and within ninety (90) days after receipt of the written acceptance of a successor Trustee upon the removal or resignation of the Trustee pursuant to Article X hereof, the Trustee shall prepare and deliver to the Authority, and to the Administrator other than the Authority, if any, a written account of its administration of the assets of the Trust Fund, including all investments, receipts, disbursements and other transactions effected by him during the period covered by such account, and shall be in such further detail as the Authority or the Administrator may reasonably request.

9.03 Objection to Account. Within ninety (90) days after receiving such written account, the Authority and the Administrator other than the Authority, if any, shall notify the Trustee in writing of any objections to such accounting, in which event the Trustee may be required to furnish such other or additional information with respect to the administration of the Trust Fund or to make such corrections to the account as shall be reasonably necessary to resolve the objection.

9.04 Approval of Account. If the account of the Trustee is not specifically disapproved within ninety (90) days from receipt thereof by the Authority and the Administrator other than the Authority, if any, or within ninety (90) days from receipt of information or corrections after objection by the Authority or the Administrator, it shall be deemed to be approved and shall constitute a complete and final account as to all matters contained therein (except as to matters involving manifest error or fraud) among the Authority, the Administrator, the Trustee, all participants, former participants and their beneficiaries, and any other persons having any interest in the Trust Fund or Plan.

9.05 Last Annual Account. The last annual account of a terminating Trustee shall be a written account of its acts with respect to the Plan in the same form as its annual account from the date of its most recent annual account to the date of the acceptance of the Trust Fund by the successor Trustee, and settlement of such account shall be as provided below. Upon the filing of such account, the retiring Trustee shall transfer and deliver the Trust Fund to the successor Trustee but shall be entitled to reserve therefrom and hold such assets as he may reasonably deem necessary to provide for any and all expenses and payments properly chargeable against the Trust Fund or for which the Trust Fund may be liable or to which the retiring Trustee may be entitled by way of expenses in the settlement of its account. If the assets so withheld be insufficient or excessive for such purposes, the retiring Trustee shall be

entitled to reimbursement for any deficiency out of the Trust Fund from the successor Trustee, or shall deliver the excess to the successor Trustee, as the case may be.

9.06 Settlement of Accounts. The Trustee shall have the right to a settlement of its accounts. Such settlement shall be had, at the option of the Trustee, either by proceedings in a court of competent jurisdiction or by agreement between the Trustee and the Authority.

9.07 Accounting Expenses. The expenses of any audit or accounting, and any court costs and legal fees relating thereto, shall be deemed an expense of administering the Trust Fund.

9.08 Record Keeping. The Trustee shall keep true and accurate books and records and other data as may be necessary for the proper administration of the Trust Fund and for compliance with the Code and other applicable law. The Trustee shall also maintain a record of all of the transactions, meetings and actions taken at meetings or by informal action of the Trustee. Trustee shall prepare, execute, file and retain a copy for the Trust records of all reports recorded by law or deemed by the Trustee to be necessary or appropriate for the proper administration of the Trust Fund.

9.09 Fiscal Year. The records of the Trust shall be kept on the basis of a fiscal year which is the same as the fiscal year of the Authority.

9.10 Delegation to Third Party Administrator. The Authority may assume or may delegate to a Third Party Administrator any or all of the accounting and record keeping responsibilities described in this Article IX.

## **ARTICLE X**

### **THE AUTHORITY'S RIGHT TO REMOVE TRUSTEE; TRUSTEE'S RIGHT TO RESIGN**

10.01 Removal of Trustee. The Trustee may be removed by the Authority at any time upon sixty (60) days notice in writing. The Trustee, and any individual trustee, shall have the right to resign at any time by giving sixty (60) days notice in writing to the Authority. Such sixty (60) days notice requirement may be waived if both the Authority and the Trustee consent.

10.02 Successor Trustee. Upon the removal, resignation, death or incapacity of the Trustee, or any individual trustee, the Authority shall within sixty (60) days appoint and designate a successor Trustee, or successor individual trustee, who shall qualify as such by delivering a written acceptance of the Trust Fund to the Authority and thereupon all the provisions hereof shall relate and be applicable to such successor Trustee, or successor individual trustee. In the interim the retiring Trustee, if he is the sole Trustee, shall continue to function and be bound hereunder as Trustee hereof. The successor Trustee, or successor individual trustee, shall have no responsibility with respect to the operation of the Trust Fund or any matter connected therewith prior to the delivery of said written acceptance.

10.03 Discharge of Responsibility. Upon the transfer of the Trust Fund and the settlement of the annual and last annual accounts as provided in Article IX above, the retiring Trustee shall thereupon be discharged from any further duty, obligation or responsibility hereunder.

## **ARTICLE XI METHOD OF CONVEYING DIRECTIONS TO TRUSTEE**

11.01 Written Notice. Any action of the Authority, or the Administrator other than the Authority, pursuant to any of the provisions of this Agreement shall be evidenced by a written notice or direction to such effect over the signature of any person who shall have been certified to the Trustee, by the Authority or the Administrator, as having such authority, and the Trustee shall be fully protected in acting in accordance with such notices or directions.

11.02 Sufficiency of Notices. Any notice required by this Agreement shall be given when deposited in the United States mail, with first class postage thereon prepaid, addressed to the Authority and or to the Trustees at the following addresses:

Vantage Trust Company  
P. O. Box 96220  
Washington, DC 20090-6220;

AXA Equitable-Frontier Trust Company  
P. O. Box 13463  
Newark, NJ 07188

or to such other address designated by the Authority or the Trustee, as the case may be, for the receipt of notice, or if none is so designated, to its last known address.

## **ARTICLE XII TERMINATION OF PLAN**

12.01 Termination of Plan. In the event of the termination or discontinuance of the Plan, the assets of the Trust Fund allocable to the Plan shall, subject to the requirements of applicable law, be allocated as described in Section 12.02. The Trustee shall be notified in writing by the Authority of such event.

12.02 Payment of Benefits. Upon termination or discontinuance of the Plan, the assets of the Trust Fund (after provision for expenses properly chargeable against the Trust Fund, including the administrative expenses relating to such termination or discontinuance) allocable to the Plan shall, to the extent they shall be sufficient, be allocated, applied and distributed as directed by the Administrator or the Authority, or the Administrator if it is not the Authority, for payment of benefit claims of participants or beneficiaries of the Plan arising prior to the date of termination or discontinuance, pursuant to and in conformity with the applicable provisions of the Plan. Assets remaining in the Trust Fund allocable to the Plan following such payment of benefit claims upon termination or discontinuance, if any, shall be applied to provide additional benefits to participants in the Plan and/or their beneficiaries as determined by the Administrator.

## **ARTICLE XIII AMENDMENT OR TERMINATION OF THE TRUST**

13.01 Right to Amend or Terminate. The Authority shall have the right at any time, and from time to time, by an instrument in writing duly executed and acknowledged and delivered to the Trustee, to modify, alter, amend or revoke this Agreement to any extent and in any respect deemed advisable by the Authority, provided that (a) any such modification(s) or termination shall be consistent with Section 457 of the Code and other applicable law, and (b) the duties,

powers and liabilities of the Trustee hereunder shall not be materially changed without its written consent. Any modification, alteration or amendment may be made effective retroactively if, in the opinion of the Authority, such modification or amendment is necessary or advisable.

13.02 Termination. In the event this Agreement is revoked and the Trust terminated, the assets of the Trust Fund shall be applied to pay any and all expenses properly chargeable against the Trust Fund and to pay benefit claims of participants (and their beneficiaries) in the Plan then in effect arising prior to the date of termination in accordance with the terms of the Plan. Assets thereafter remaining in the Trust Fund, if any, shall be applied by the Authority to provide benefits to participants under the Plan at the time of such termination and/or to their beneficiaries, as determined by the Administrator.

13.03 Trust not Terminated. The Trust shall not be terminated by the removal, resignation, death or incapacity of the Trustee.

## **ARTICLE XIV CONTROVERSIES AND DISPUTES**

14.01 Claims Procedure. Claims for benefits under the Plan shall be made, and disputes involving such claims shall be resolved, in accordance with the provisions of the Plan.

14.02 Reliance Upon Records. In any controversy, claim, demand, suit at law, or other proceeding between any beneficiary or any other person and the Trustee, the Trustee shall be entitled to rely upon any facts appearing in the records of the Trustee, including records of any Third Party Administrator appointed by the Trustee or the Authority to administer the Plan, any instruments on file with the Trustee, the Authority, or such Third Party Administrator, any facts certified to the Trustee by the Authority, any facts which are of public record and any other evidence pertinent to the issue involved.

14.03 Right to Obtain Adjudication of Disputes. In the event any question or dispute shall arise as to the proper person or persons to whom any payments shall be made hereunder, the Trustee may withhold such payment until an adjudication of such question or dispute, satisfactory to the Trustee, in its sole discretion, shall have been made, or the Trustee shall have been adequately indemnified against loss to its satisfaction.

## **ARTICLE XV MISCELLANEOUS PROVISIONS**

15.01 Information. The Authority and the Administrator shall promptly furnish to the Trustee, on demand, such information and data with respect to individual Employees benefiting from this Agreement that the Trustee may require in connection with the administration of the Trust Fund, such information and data being limited in nature to such matters as name, classification, social security number, amount of wages paid and hours worked and any other necessary information. The Trustee or its authorized representatives may examine the pertinent records of the Authority, and any other Administrator, with respect to the individual Employees benefiting from this Agreement whenever such examination is deemed necessary or advisable by the Trustee in connection with the proper administration of the Trust Fund.

15.02 No Implied Covenant. No implied covenant shall be read into this Agreement against the Trustee. Except as otherwise required by applicable law, the duties and obligations of the Trustee shall be determined solely by the express provisions hereof.

15.03 Law of United States and State of Michigan. This Agreement shall be construed, regulated and administered under the laws of the United States and to the extent not superseded thereby, under the laws of the State of Michigan.

15.04 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and said counterparts shall constitute but one and the same instrument.

15.05 Pronouns. Wherever reasonably necessary, pronouns of any gender shall be deemed synonymous, as shall singular and plural pronouns.

15.06 Headings. The headings to the Articles of this Agreement are included solely for convenience and shall in no event affect, or be used in connection with, the interpretation of this Agreement.

15.07 Severability. Each provision of this Agreement shall be treated as severable, to the end that, if any one or more provisions shall be adjudged or declared illegal, invalid or unenforceable, this Agreement shall be interpreted, and shall remain in full force and effect, as though such provision or provisions had never been contained in this Agreement.

15.08 Trustee Acceptance. The Trustee, by joining in the execution of this Agreement, hereby signifies its acceptance of the Trust Fund hereby created.

15.09 Title to the Fund. Title to the Trust Fund shall be vested in and remain exclusively in the Trustee, and no Employee of the Authority, the Authority or any beneficiary of an Employee shall have any right, title or interest in the Trust Fund nor any right to contributions to be made thereto, nor any claim against the Authority on account thereof, except only as provided from time to time by this Agreement or by the Plan and then only to the extent of the benefits payable from the Plan out of the Trust Fund. In no event shall the Authority, directly or indirectly, receive any refund of contributions made to the Fund, except in case of a bona fide mistake, as provided in Section 1.07.

15.10 Incompetency. Except as otherwise provided by the Plan, in the event it is determined that any person entitled to receive benefits under the Plan is unable to care for his affairs because of mental or physical incapacity, the benefits due such person may be paid to his legal guardian or conservator, or to any relative by blood or by marriage to be used and applied for the benefit of such person. Payment to such legal representative or relative of the person on whose account benefits are payable shall operate to discharge the payor from any liability to such person or to anyone representing him or his interest, and the payor shall have no duty or obligation to see that the funds are used or applied for the benefit of such person.

IN WITNESS WHEREOF, THE BOARD OF COMMISSIONERS OF HURON-CLINTON METROPOLITAN AUTHORITY HAS AUTHORIZED EXECUTION OF THIS SEC. 457 DEFERRED COMPENSATION TRUST AGREEMENT, AND THE TRUSTEE HAS EXECUTED BELOW TO INDICATE ITS ACCEPTANCE OF THE DUTIES AND RESPONSIBILITIES OF THE TRUSTEE AS SET FORTH IN THIS AGREEMENT.

HURON-CLINTON METROPOLITAN AUTHORITY:

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Harry E. Lester, Chairman

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Anthony V. Marrocco, Secretary

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Gregory J. Almas, Executive Secretary

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VANTAGE TRUST COMPANY, AS TRUSTEE

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AXA EQUITABLE-FRONTIER TRUST COMPANY,  
AS TRUSTEE

18,224,798.1\042460-00057





## HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: David Moilanen, Deputy Director  
 Subject: Liquor Licenses for Metro Beach, Stony Creek and Indian Springs  
 Date: August 12, 2010

At the time the food concessionaires were changed at Indian Springs and Stony Creek in early 2010, the vendor names on the liquor licenses for these parks were also changed to reflect the new concessionaire. During this transition, it was brought to our attention by John Carlin, the attorney we consult with regarding Michigan Liquor Control Commission (MLCC) regulations, that all of our current liquor control practices are not compliant with MLCC regulations. We have subsequently reviewed our liquor control practices across the parks system, and are requesting approval from the Board on a series of changes in order to meet the MLCC regulations.

Currently, the Metroparks has liquor licenses at Hudson Mills, Huron Meadows, Indian Springs, Kensington, Lake Erie, Stony Creek, Willow, and Wolcott for the golf courses only. All of these are in compliance with MLCC regulations.

Renters of the Welsh Activity Center at Metro Beach, the event room at the Environmental Discovery Center at Indian Springs and the banquet tent at Stony Creek are permitted to bring in their own alcohol while our food concessionaire provides the sale of food and non-alcohol beverages. Our current practices at all three of these facilities are not compliant with MLCC regulations. In each case, a liquor license is required and we must sell alcohol, rather than permitting renters to bring in their own alcohol.

To bring our operations at Indian Springs and Stony Creek into MLCC compliance, we will request from the MLCC that 1) our current tavern licenses at Indian Springs and Stony Creek that allow for beer and wine sales at the golf courses, be upgraded to Class "C" licenses to include hard liquor sales, 2) we extend the license at Indian Springs to include the Environmental Discovery Center and 3) we extend the license at Stony Creek to include the banquet tent. The cost per park will be \$350 more per year for each license upgrade and extension, and attorney fees to process these changes in licenses would total about \$2,500. The license fee is paid by the concessionaire and the Metroparks pays the attorney fees. This process also requires local township approval, which we would seek in each case.

Because we do not currently have a liquor license at Metro Beach we will purchase one that is held in escrow in Macomb County and transfer it to Metro Beach with the MLCC. There is a Class "C" license available for \$40,000. Approval from the local township and police department are required in this case because we do not have an existing license. This process requires more legal work and we estimate attorney fees to be approximately \$7,000.

Attached is a table that depicts the activity at these three facilities for all of 2009 and through July for 2010, as well as estimates for additional revenue from alcohol sales only, based on a 10 percent commission amount. In reviewing this data, it is important to note the high percent of groups which serve alcohol at their events. If alcohol was not permitted at these locations, it is our strong belief that these rentals groups would find other venues to hold their events

resulting in lost rental and food concessionaire revenue (not depicted in the attached table) as well as lost revenue from alcohol sales that are depicted in the attached table.

**Recommendation:** that the Board of Commissioners authorize staff to proceed with 1) upgrading the Metroparks' current liquor license to a Class "C" liquor license at Indian Springs to permit the sale of hard liquor and extending liquor sales to the Environmental Discovery Center, 2) upgrading the Metroparks' current liquor license to a Class "C" liquor license at Stony Creek to permit the sale of hard liquor and extending liquor sales to the Banquet Tent, and 3) the purchase of a class "C" liquor license for the Thomas Welsh Activity Center at Metro Beach for \$40,000 from reserves as recommended by Deputy Director David Moilanen and staff.

Attachment:

1. Alcohol Sales for 2009 and 2010

	2009	Through July 2010
<b>Environmental Discovery Center at Indian Springs</b>		
Number of events	77	51
Number of patrons	9625	6445
% of events with bar	90	94
Average number of patrons/event	125	125
Estimated revenue from alcohol sales to concessionaire	\$129,937.50	\$90,874.50
Estimated revenue from alcohol sales to HCMA (at 10% commission)	\$12,993.75	\$9,087.45
<b>Tent at Stony Creek</b>		
Number of events	30	28
Number of patrons	4800	5014
% of events with bar	73	100
Average number of patrons/event	160	179
Estimated revenue from alcohol sales to concessionaire	\$51,840.00	\$54,151.20
Estimated revenue from alcohol sales to HCMA (at 10% commission)	\$5,184.00	\$5,415.12
<b>Welsh Activity Center at Metro Beach</b>		
Number of events	111	105
Number of patrons	13875	13125
% of events with bar	44	50
Average number of patrons/event	125	125
Estimated revenue from alcohol sales to concessionaire	\$91,575.00	\$86,625.00
Estimated revenue from alcohol sales to HCMA (at 10% commission)	\$9,157.50	\$8,662.50
Total estimated revenue from alcohol sales to HCMA (at 10% commission)	\$27,335.25	\$23,165.07





## HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Paul Muelle, Chief of Natural Resources  
 Subject: Sustainability Report  
 Date: August 2, 2010

Over the past 60 days, members of the Sustainability Work Team have been actively soliciting ideas from fellow employees and gathering information from various organizations on sustainable practices in an effort to build on current sustainability efforts and develop a comprehensive sustainability program for the Metroparks.

Staff has met with and interviewed representatives from Eastern Michigan University, Toledo Metroparks, Michigan Department of Natural Resources and Environment (MDNRE) and Wayne County Parks to discuss their current sustainability programs. Additional information has been gathered from other organizations via the web, both public and private, such as Subaru, Cummins, the Detroit Zoological Society and other Metropark systems, and reviewed for relevance to the Huron-Clinton Metropark system.

The information is in the process of being compiled and prioritized in order to develop and institute a long-term comprehensive sustainability program which will to be presented to the Sustainability Steering Committee in mid-August. Areas of interest that are being explored by the committee are sustainable design, material management, energy conservation, new technology, green purchasing, natural resource management, communication, financial tracking and urban community support.

During information gathering process, we have also continued to move forward with programs already initiated in the parks. A significant amount of time has been spent in the area of materials management as we believe that environmental compliance is a top priority for the organization. Storm water management plans, pollution incident prevention plans and spill prevention control programs are currently either being developed or updated for the park system as part of our environmental compliance initiative. In-house recycling efforts continue to expand, along with mowing reductions and green purchasing. Habitat restoration efforts continue in many parks and energy efficiency programs are moving forward.

As an example, several parks are changing over to CFL bulbs as new bulbs are needed in their facilities and HID exterior lighting at the Kensington Metropark office has been replaced by high-efficiency LED lighting. At the Administration Office, a total of 181 T-12 florescent fixtures were replaced with new T-8 fixtures. The new T-8's use less energy, run cooler and produce more lumens (light) than the old bulbs, so in many cases only two bulbs were reinstalled into a 4 bulb fixture. By switching to the new T-8 fixtures, we are estimating our yearly energy cost savings to be approximately \$3,000 per year at this facility.

In addition to the cost savings, by upgrading the lights in the Administration Office alone, we will be reducing our annual carbon dioxide emissions by 40,000 lbs annually as well as sulfur dioxide and nitrogen oxide emissions by approximately 200 lbs. (according to EPA Energy Star Assumptions 2007 – gasses released per kWh of electricity generated).

Additional energy efficiency re-lamping projects are proposed for Metro Beach, Stony Creek and Lake Erie Metroparks in 2010/2011.

Other major accomplishments in the past 60 days include the fleet conversion to electric golf carts at Huron Meadows and the replacement of underground fuel storage (UST) systems at Kensington and Metro Beach with above ground fuel tanks.



**Recommendation:** That the Board of Commissioners receive and file this report as recommended by Paul Muelle, Chief of Natural Resources and staff.



## HURON-CLINTON METROPOLITAN AUTHORITY

7 - E - 6  
Meeting of August 12, 2010

To: Board of Commissioners  
From: Paul Muelle, Chief of Natural Resources  
Subject: Metroparks 2009/2010 Deer Management Plan Implementation Report  
Date: August 2, 2010

Deer management activities continued in the fall of 2009 and winter of 2010 at seven Metroparks: Kensington, Stony Creek, Indian Springs, Hudson Mills, Oakwoods, Lower Huron and Willow. A total of 220 deer were removed with minor impact on other park uses during the management operations as compared to 151 deer removed the previous year. Highlights for each of the park operations are as follows:


PARK	METHOD	# DEER REMOVED	# OF DAYS IN FIELD
Stony Creek	Controlled archery	12	2
	Controlled firearms	48	6
	Sharpshooting	45	3
Hudson Mills	Sharpshooting	8	1
Kensington	Sharpshooting	33	2
Indian Springs	Controlled firearms	23	2
	Sharpshooting	10	2
Willow/Oakwoods/Lower Huron	Sharpshooting	38	3
<b>TOTAL</b>		<b>220</b>	<b>21</b>

Metropark staff continues to work with Safari Club International at Indian Springs and volunteers at Stony Creek to conduct the controlled hunts. These volunteers provided assistance in organizing and conducting the controlled hunts at Stony Creek and Indian Springs. Typically, 5 - 10 volunteers participated on any given day. The deer were transported by park staff to the processor, Butcher Boy Meats, and the venison distributed by Sportsmen Against Hunger through the Southeast Michigan Food Bank.

Once again this year, Butcher Boy Meats and Sportsmen Against Hunger donated all costs associated with processing the deer. We thank the leaders of these conservation groups and organizations for their support of this management program. Their time, expertise and financial support were critical to the success of this year's operations.

Metropark employees spent a combination of 21 days and nights on deer management activities, an increase of three management days from the 2008 – 2009 deer management program. The additional days were associated with the volunteer hunts at Stony Creek; however the number of deer taken per management day increased to 10 deer per management day, as compared to eight deer per management day recorded in 2008 – 2009. HCMA staff from all departments including administration, park operations, maintenance and the police, worked long and unusual hours to accomplish this management task.

The following table indicates the total of deer removed from all parks since the beginning of the program in 1999.



**Summary of Deer Removed by Park**

	Totals	09/10	08/09	06/07	05/06	04/05	03/04	02/03	01/02	01/00	99/00
Kensington	780	36	62	37	68	44	51	33	110	93	246
Stony Creek	1128	105	18	93	128	139	127	82	218	96	122
Hudson Mills	286	8	-	-	26	30	24	35	73	58	32
Indian Springs	288	33	26	30	29	12	32	37	89		
Huron Meadows	57		-	-	2	5	3	47			
Oakwoods	291	22	26	18	34	44	56	91			
Willow	119	15	4	25	22	6	47				
Lower Huron	16	1	15								
<b>Total</b>	<b>2965</b>	<b>220</b>	<b>151</b>	<b>203</b>	<b>309</b>	<b>280</b>	<b>340</b>	<b>325</b>	<b>490</b>	<b>247</b>	<b>400</b>

TABLE 1

We are clearly in the maintenance phase of the deer management program having met or are close to meeting deer density goals in several parks. Estimates for 2010 indicate that in order to maintain a stable population, additional removals may be necessary, but the overall number of deer to be removed is greatly reduced when compared to the first several years of the operation.

Aerial surveys by helicopter were conducted in January and February 2010 at Kensington, Hudson Mills, Huron Meadows, Stony Creek, Indian Springs, Oakwoods, Lower Huron, Willow and Lake Erie. Magnum Helicopters out of Oakland International Airport provided the flying services and Metropark staff served as counters. An approximate one-foot snow base provided good conditions for observing the deer from the air with the exception of Stony Creek.

Results of the surveys are as follows: Kensington – 84 deer, Hudson Mills – 41 deer, Huron Meadows – 52 deer, Stony Creek – 35 deer, Indian Springs – 70 deer, Oakwoods – 50 deer, Lower Huron – 68 deer, Willow – 20 deer and Lake Erie – 60 deer. These aerial surveys along with the bio-data collected each year are used to estimate deer herd size the following season as indicated in Tables 2 and 3.

Deer populations continue to increase at both Lake Erie and Metro Beach where management activity has not yet been conducted. Additional efforts in monitoring the impacts of the increased deer density in these parks will help determine if management efforts are warranted.



Below is a table indicating the reduction in deer density in select parks from 1999 (green bar) to estimated 2010 population levels (blue bar).

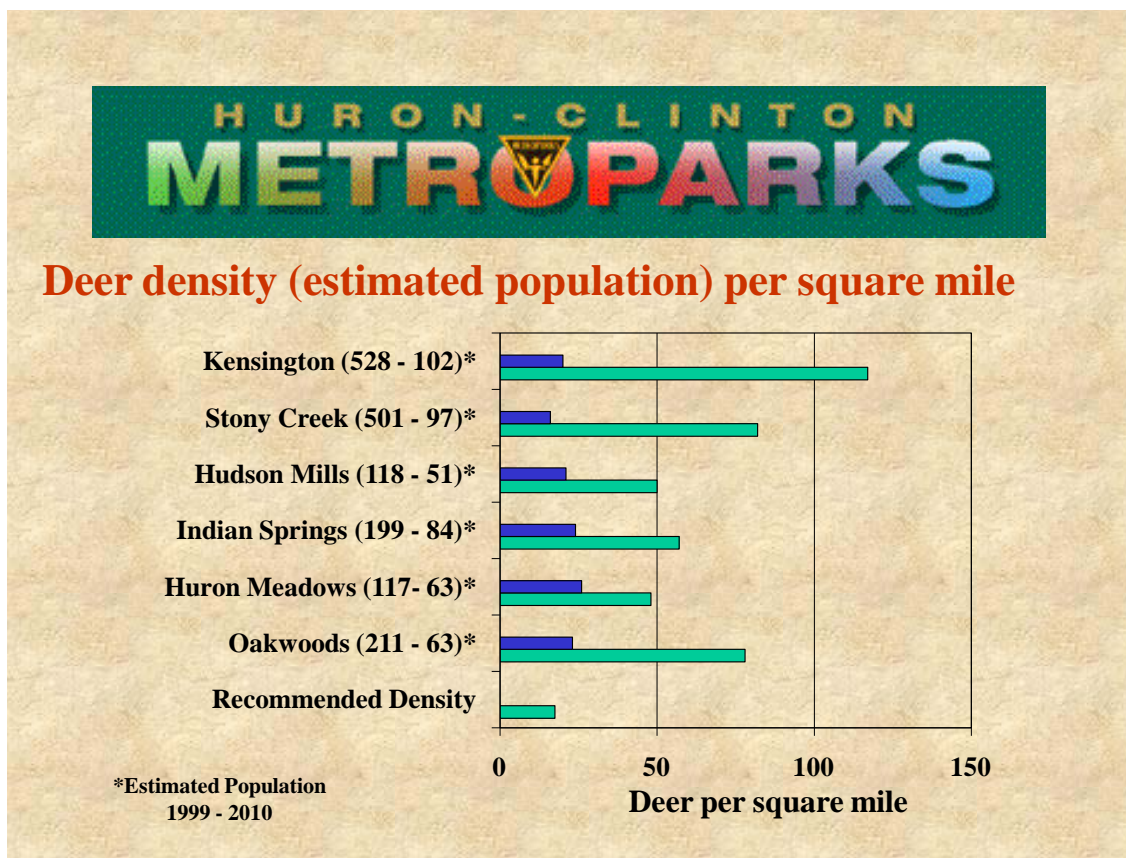


TABLE 2

Biological data on the culled deer continues to be gathered and compiled each year as required and supplied to the Michigan Department of Natural Resources and Environment (MDNRE). The MDNRE did not test for Chronic Wasting Disease in 2010. Data gathered on the deer culled this season indicate the deer populations health parameters continue to remain good in most parks and show a definite improvement when compared to the programs beginning. However, pockets of higher deer population densities in some parks are still proving problematic for both impacts to the ecosystems and health of the herd as illustrated by the photo to the right taken at Indian Springs Metropark this spring.

Vegetative monitoring by Metroparks Interpretive staff continues to indicate the numbers of plants for specific indicator species, as well as the numbers of plant species, either remained stable over the past year or continue to increase in number. However, heavy browsing is still occurring in several of the parks, as demonstrated by the photo below of one of the deer exclosures taken this past spring where trillium were abundant and blooming inside the exclosure but noticeably sparse outside of the unit.





It is the consensus of natural area managers that controlling excessive deer populations is critical to the long term health and viability of the native ecosystems that these animals are a component of. The management efforts the Metroparks established has had a direct impact on insuring that the parks' high quality natural areas remain intact for future generations to enjoy.

Below is a table indicating the estimated populations in each managed park for 2010 and 2011 along with the proposed herd reduction for those areas.

	Area Size	Population Estimate 2009/10	Population Estimate 2010/11	Deer per sq. mile Estimate	Ideal Population	Deer Removed			Proposed Removals In 2010/2011
	(sq. mile)				(15/sq.mi.)	In 2009 / 2010			
						hunt	srpsshoot	TOTAL	
Stony Creek	6.2	243	97	16	93	60	45	105	0
Kensington	5.1	168	102	20	77		36	36	25
Oakwoods	2.7	121	63	23	41		22	22	21
Willow	2.4	51	25	11	36		15	15	0
Lower Huron	2	35	85	42	30		1	1	55
Indian Springs	3.5	114	84	24	53	23	10	33	31
Hudson Mills	2.4	51	51	21	36		8	8	15
Huron Meadows	2.4	50	63	26	36			0	27
Lake Erie	2.5	62	73	29	38			0	45

TABLE 3

**RECOMMENDATION:** That the Board of Commissioners receive and file this report as recommended by Paul Muelle, Chief of Natural Resources and staff.



7 - E - 7  
Meeting of August 12, 2010

## HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
From: William Johnston, Human Resources Officer  
Subject: Medicare Part D Subsidy  
Date: August 12, 2010

HCMA received a payment of \$15,336.14 as reimbursement for Medicare Part D, prescription drug subsidy for the period of January-March, 2010. The total "Gross Retiree Cost" for this period was \$86,331, making the reimbursement 17.8 percent of this cost.

As the Board of Commissioner's may recall as part of HCMA's effort to pre-fund retiree health care benefits; any funds received under Medicare Part D subsidy are to be transferred to the Retiree Health Trust. This is in accordance with actions taken by the Board in June 2005.

**Recommendation:** That the Board of Commissioners approve the transfer of \$15,336.14 to the Retiree Health Care Trust Fund as recommended by Human Resources Officer Johnstone and staff.



**HURON-CLINTON METROPOLITAN AUTHORITY**

To: Board of Commissioners  
From: David Moilanen, Deputy Director  
Subject: June Donations (4)  
Date: August 12, 2010

The following donations were received through July 30, 2010:

- A \$300 bench donation made by Mr. Morris Beider for use at the Indian Springs Golf Course.
- A \$300 bench donation made by Tod More for use the original Disc Golf Course at Hudson Mills.
- A \$350 bench donation made by James Tritt for use at the Cove Point picnic area at Lake Erie.
- A \$400 bench donation made by Carolyn McCloud for use at the Nature Center at Kensington.

**RECOMMENDATION:** That the Board of Commissioners formally accept the above donations and a letter of appreciation be sent to the donors as recommended by Deputy Director Moilanen and staff.



**GEORGE M. CARR, P.C.**

ATTORNEY AND COUNSELOR

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August 3, 2010

Mr. Harry Lester, Chairman  
Huron-Clinton Metropolitan Authority  
13000 High Ridge Drive  
Brighton, Michigan 48114-9058

Dear Chairman Lester:

Today the Michigan Primary Election is underway across the state. Under the current legislative apportionment plan, an estimated 90% of all House and Senate candidates will be decided in today's election. This is a result of many district lines drawn to capture a majority of Democratic or Republican voters. The balance of the state's legislative seats will be aggressively contested between now and November. These races will likely determine the partisan control of the Legislature next session.

While the candidates for Governor by each party will be decided today, the other major offices will have candidates selected by party conventions in late August.

The Legislature has effectively shut down for the Primary Elections but is expected to begin additional work on the budget in the next two weeks. Currently there are two budget proposals being floated in Lansing. The first is an "all cuts" budget from the Senate to deal with the identified revenue shortfalls. The second is a 90 day "continuation budget" effectively delaying the budget solution for a next Governor to address in 2011.

A more complete Primary Election analysis will be available at the board meeting.

Respectfully submitted,

  
George M. Carr







# **HURON-CLINTON METROPOLITAN AUTHORITY**

## **JULY MONTHLY REPORT**

### **FOR**

## **BOARD OF COMMISSIONERS**

### **AUGUST 12, 2010**

#### **Director's Comments**

- The Strategic Planning Committee is reframing elements and goals of the strategic plan and identifying barriers to achieving the goals of the Strategic Plan.
- Kerry Laycock held focus groups throughout the organization, visited multiple parks, met with various individual staff members and is discussing organizational structure issues with the steering committee.
- The IT Work Team has identified a list of issues to be addressed for the organization. Their work will initially focus on improving the technology infrastructure throughout the parks system, improving the landline phone technology and developing training strategies around technology for employees in the organization.
- The Inter-Agency Parks Collaborative continues to meet. Currently, the group is developing a plan for equipment sharing between agencies.

#### **Metro Beach – Jim Pershing**

- The World Speed Brick Breaking Association gave a brick breaking demonstration on July 25.
- A FLW Bass Tournament and "Bash at the Beach" car show were held on the July 31.
- A two-day "Soccer in the Sand" soccer tournament was held July 31 – Aug.1.

#### **Lower Huron, Willow, Oakwood and Lake Erie – Richard Sobecki**

- July brought severe thunderstorms with high winds and heavy rains causing power outages. The total precipitation for the month was 5.96 inches, 2.80 inches above average.
- Demolition began at the Lake Erie Tot Lot.
- Lake Erie and Willow had remarkable crowds of 15,000 and 20,000 respectively for both fireworks nights.
- Lower Huron hosted fireworks and the annual Greater Grace Picnic with 3,000 patrons.
- Events held at Lake Erie included the Great Golf Day and "Movies in the Park."
- Events held at Willow during the month included "Movies in the Park", Fireworks, 18<sup>th</sup> Annual Car Show, a Junior Golf Tournament, Annual Polkafest, and "Poolside Jazz" with legendary Detroit Jazz Pianist Alvin Waddles.

#### **Kensington – Kim Jarvis**

- On July 15 an evening storm with winds in excess of 60 mph caused a majority of the park to lose power until late on the July 16 or early on the 17th. Trees were damaged, 26 portable toilets had to be brought in and the pump and well suffered damage at Martindale. We were able to open the beach both of these days.
- On July 4, 8,243 vehicles entered the park which made for a busy day.
- Events held during the month included Southeast Michigan Adventure Race at Maple Beach, Milford High Course of Champions Fun Run at Playfield, Michigan Bass Busters Bass Tournament at the East Boat launch and Explorer's Day Camp at the Nature Center.

## **Hudson Mills, Indian Springs and Huron Meadows –**

### **Nancy Schaible**

- Events held at the parks during the month included Fireworks at Hudson Mills and serving as host to the Extracorporeal Membrane Oxygen (ECMO) group from the University of Michigan Hospital at Huron Meadows.

## **Stony Creek, Wolcott Mill –**

### **Mike Lyons**

- More than 30,000 enjoyed the fireworks on July 3.
- The Grand Encampment took place with nearly 800 re-enactors from several different states took part in the event which commemorated the surrender of the French at Fort Pontchartrain during the 18<sup>th</sup> century.
- The “Muddy Buddy Adventure Race” was held; the race is a national tour event and attracted 744 two-person teams.
- Three concerts were held in July. Intrigue, Sun Messengers and Air Margaritaville performed to crowds of 700, 200 and 2,000 respectively.
- The second of three Rustic Family Camping Weekends was held on July 30 – Aug. 1. The popularity of the camping weekends continues to grow. A new record of 58 groups totaling 260 people registered for the weekend. Campers were treated to a concert, use of the Metroparks climbing wall and an interpretive program conducted by our Nature Center staff.
- The Stony Creek Junior Golf Tournament was held with 95 participants.
- The Banquet Tent hosted four wedding receptions and one memorial during the month while Stony Creek hosted two mountain bike races.

## **Interpretive Services –**

### **Mike George**

- Staff members from the Mobile Learning Center took part in the Metro-Detroit Youth Day event held at Belle Isle. The Huron River Day event in Ann Arbor included a number of HCMA interpretive staff involved with this event.
- “Grand Encampment” was held at Stony Creek with interpretive staff offering historical programming.
- July Summaries

Program totals	933
Program totals (persons)	28,224
Facility visitors	138,651
Monthly total use	166,875
Monthly total use (YTD)	1,041,183
Volunteer hours	1,202

## **Kensington Nature Center**

- Conducted annual insect counts; butterflies and dragonflies.
- Two weeks of day camps.
- Pruned invasive alien shrubs and vines during the month.

## **Kensington Farm Center**

- Held “Farmer for a Day” and the annual “Farm Fantasy Camp,” catering to adults who wished to share the experience of working at the farm center.
- Staff also spent time fertilizing, weeding and cultivating the pumpkin patch.

## **Interpretive Services (con't) –**

### **Stony Creek Nature Center**

- Held "Friday Night Voyageur Canoe" program, Children's Appreciation Day, and "Full Moon Canoe" program.
- Staff conducted a program featuring animals from the nature center at Detroit Police Departments 2nd Precinct for their "Youth Awareness Safety Camp."
- Thirty dedicated volunteers gave 90 hours of their time to the care and feeding of the nature center animals and the cleaning/maintenance of the gardens and trails.
- An Eagle Scout candidate completed the construction of a new fire pit area complete with benches.

### **Wolcott Mill Historic Center**

- Held the "Sawdust Festival".
- Completed garden work, trail maintenance, and exhibits.

### **Wolcott Mill Farm Center**

- Held a three day "Farmers Camp", "Read a Book" programs, birthday parties, 4-H meetings, conducted offsite programs to promote the Metroparks at the Huron Pointe Sportsman's Day, and hosted the two day "Lavender Festival" conducted by Gabriel's Gardens of Romeo with 2,000 people attending and more than 70 vendors.

### **Oakwoods Nature Center**

- Held "Ecology Camp" for three days, "Paddle Full-o-Pirates", and "Friday Night Summer Series" programs.

### **Lake Erie Marshlands Museum and Nature Center**

- Held eighteen "Summer Discovery Cruises" in a co-operative effort with Michigan Sea Grant, "Crack O' Dawn Coffee Club," "Muskrat Club," "Woodcarver's Show," "Dragonfly Workshop" and the "Moving Adventure Camp."
- The "Wet 'N' Wild Cart," a poolside cart of natural history wonders continued to be one of the Museum's biggest draws.

### **Indian Springs Nature Center**

- Held the "Tin Can Ice Cream" and "July Stars in the Planetarium."

### **Metro Beach Nature Center**

- Staff held "Summer Discovery Cruises" and continued library outreach programs that tie into the statewide library summer reading theme of water.

### **Mobile Learning Center**

- Programs during July were comprised of summer camps, preschool groups, library programs and weekend festivals.
- Staff attended two weekend festivals "Huron River Day" at Gallup Park in Ann Arbor and the "Lavender Festival" at Wolcott Mill Farm Center and attended the "Metro Detroit Youth Day" on Belle Isle.

### **Hudson Mills Activity Center**

- Seven organized day camps visited the park during the month and hosted the "Children's Day Fishing" program.

## **Interpretive Services (con't) –**

### **Indian Springs Environmental Discovery Center**

- Programs throughout the month included “Fireflies of July,” “Bat House Bonanza” and “Turtles, Toads & Salamanders” and eight days of day camps (one held in conjunction with the Oakland County 4-H organization).
- Staff conducted out-of-park events that included "Going Green" outreach programs, the Huron River Day Festival and a workshop for the MDNR.
- Discovery Backpacks were checked-out 30 times.

## **Human Resources –**

### **Bill Johnstone**

- Total employee count

<b>Location</b>	<b>Full-Time</b>	<b>Provisional</b>	<b>Seasonal</b>	<b>Total</b>	<b>Percent</b>
Admin Office	46	7	3	56	5.1%
Hudson Mills	34	126	19	179	16.3%
Kensington	49	84	54	187	17.1%
Lake Erie	16	53	57	126	11.5%
Lower Huron	31	67	133	231	21.1%
Metro Beach	20	22	105	147	13.4%
Stony Creek	33	84	53	170	15.5%
<b>TOTAL</b>	<b>229</b>	<b>443</b>	<b>424</b>	<b>1,096</b>	<b>100.0%</b>

## **Information Systems –**

### **Nolan Clark**

- With recent heavy storms we have had problems with power failures and many of our T1 lines have had issues from lightning strikes and wet or shorted cable pairs. Storms have knocked out phone lines and damaged equipment at several locations in the Metroparks.
- Due to storm damage, the following items were replaced: a damaged switch was replaced with a new Extreme 24 port switch at Hudson Mills, a new Shoregear 90, an IP based phone system or switch that will support up to 90 IP phones was replaced at Indian Springs, a new hub (network device) was installed at the Hudson Mills garage and a new Xerox printer was replaced at the Hudson Mills Park office.
- In working with AT&T on the T1 lines, at least two smart jack cards have been replaced and a number of other cards in the circuit paths.
- In June the organization received 1.3 million emails and 1.8 million in July.

## **Planning –**

### **Sue Nyquist**

- Engineers and planners have been meeting with park staff to assess park conditions and identify potential capital improvement and major maintenance projects for 2011.
- Continued to gather data to support a golf course market analysis at Wolcott Mill Golf Course.
- Site planning and architectural design continues at the Kensington Golf Course building.
- Kensington / Milford Trail markers – Eagle Scout project to install mileage markers on the new Milford trail has been completed.
- Staff supervised installation of the new play area equipment at the Hudson Mills activity area.
- Staff is working with Washtenaw County Parks and Recreation staff to design the portion of the Border-to-Border trail extending from Dexter-Huron Metropark to the village of Dexter.

- Construction activity is underway at the Lake Erie Activity area playground redevelopment site. Staff is assisting with construction supervision.

## **Engineering – Mike Arens**

### **Metro Beach**

- The Underground Storage Tank system removal (UST)/Aboveground Storage Tank replacement at the Service Area by Dean Marine continues. Backfilling and grading of the UST excavation is complete; the concrete slab is scheduled to be completed soon.
- Minor punch list items remain to be completed on the South Marina Redevelopment project by Cedroni Associates, including site electrical items, irrigation controls, turf establishment and the pump-out system.

### **Wolcott Mill**

- The stone masonry repairs of the Golf Starter building basement are completed.
- Review of the Mill tailrace repair project by Anderson, Eckstein & Westrick (AEW) is in progress. The most recent considerations are, whether or not the raceway system is decommissioned, drainage through the tailrace must be accommodated due to groundwater and/or surface water entering the raceway and flowing under the building. AEW's letter report on suggested alternatives and costs is forthcoming.

### **Stony Creek**

- Work on the West Branch Comfort Station Renovation project is complete and the facility is now open.

### **Kensington**

- Punch list items on the Martindale Bathhouse and Grille project remain for completion; reworking of windows will take place after the operating season.
- Work on the Water System Improvement project at Orchard Comfort Station is tentatively scheduled to begin in the next two weeks.

### **Hudson Mills**

- Work on the Activity Center Parking Lot Expansion project is in progress. Aggregate placement on the new lot is nearly complete; reconstruction of the entrance, turnarounds, curb and paving will follow in the near future.

### **Lake Erie**

- Work on the Playground Renovation project is in progress. Demolition is complete and earthwork is under way.

## **Natural Resources – Paul Muelle**

- Field time was spent removing invasive shrubs in the Lower Huron floodplain, working with the AmeriCorp crew at Stony Creek and Indian Springs and applying herbicide to newly identified areas of Black swallowwort and Oriental bittersweet throughout Indian Springs and in the Group Camp fen at Kensington.
- Applied for an amended permit through Michigan Department of Natural Resources and Environment (MDNRE) and facilitated the additional aquatic treatment of Kent Lake for Starry Stonewort, a nuisance aquatic weed. Starry Stonewort, is having a dramatic negative impact to the Kent Lake aquatic ecosystem. Approximately 60 acres of Kent Lake was treated to help suppress this plant.
- Water quality testing continues at both Wolcott Mill and Stony Creek.

## Natural Resources (con't) –

- Staff met with representatives of ITC to review the wildlife enhancement program at Stony Creek and Wolcott Mill to discuss further habitat improvement projects, public education and volunteer opportunities as part of ITC's requirements for the Wildlife Habitat Council certification within the ITC corridor.
- Conducted meetings with partner groups to form a plan of action for the partner organizations in the EPA Great Lakes Restoration Initiative grant for restoration of the marsh at Metro Beach.
- Met with the MDNRE regarding the second round of phragmites eradication at Metro Beach through the 2008 U.S Fish and Wildlife Service (USFWS) grant. Permits for the next herbicide application have been submitted with the next applications expected to take place in September.
- The AmeriCorp team assigned to HCMA, Oakland County Parks, MDNRE, Oakland Township and the Six Rivers Land Conservancy helped to remove invasive shrub species like buckthorn and autumn olive in high quality natural areas at Kensington, Indian Springs and Stony Creek. The AmeriCorp team spent a total of five days working in the Metroparks.
- Natural Resource Crew members responded to requests to remove dangerous trees on the Farmland Trail at Indian Springs and several locations at Lower Huron due to recent storms. Additional trees were removed from the Huron River that were blocking safe passage.

## Purchasing – Scott Michael

- Purchase orders issued through June 2010

	MAA	SWM	MVR	RHS	JRS	GJA	Grand Total
Jan	\$19,176.50	\$176,455.41	\$146,527.70	\$419,188.42	\$291.40	None	\$761,639.43
Feb	\$341,693.57	\$23,426.46	\$65,921.95	\$183,988.60	\$180,425.47	None	\$795,456.05
Mar	\$625,434.80	\$49,116.54	\$51,583.56	\$106,743.03	\$3,872.06	None	\$836,749.99
Apr	\$718,993.75	\$156,728.04	\$74,840.01	\$123,840.95	\$21,767.80	None	\$1,096,170.55
May	\$31,473.74	\$40,359.58	\$41,080.54	\$43,418.76	\$12,800.33	None	\$169,132.95
June	\$656,953.60	\$44,730.06	\$99,021.51	\$8,523.30	\$15,661.37	\$25,600	\$850,498.84
July	\$108,030.00	\$27,027.98	\$8,836.05	\$14,874.88	\$1,523.95	None	\$160,292.86

MAA – Mike Arens, SWM – Scott Michaels, MVR – Maria vanrooijen, RHS – Ron Smith, JRS – Jan Schlitters, GJA – Greg Almas

- Solicitations for June

Miscellaneous Quotations	12
Request for Proposals	0
Request for Quotations	2
Invitations for Bids	1

## Communications – Denise Semion

- Please see separate marketing update

**Police Department –  
George Phifer**

- Total police department count

Number of “Assist Other Agency” Runs for July 2010		Total To Date	July 2009	July 2008	Total as of July 2008
Eastern District	4	40	11	12	49
Western District	2	27	8	14	72
Southern District	3	15	8	0	29
<b>TOTAL</b>	<b>9</b>	<b>82</b>	<b>27</b>	<b>26</b>	<b>150</b>

- July Police Operations Report

<b><i>CALLS FOR SERVICE</i></b>	<b><i>DISTRICT</i></b>			<b><i>TOTALS</i></b>			
	<b>EAST</b>	<b>WEST</b>	<b>SOUTH</b>	<b>MONT H</b>	<b>2010 YTD</b>	<b>2009 YTD</b>	<b>2008 YTD</b>
<b>ALARMS/OPEN BUILDINGS</b>	12	11	6	29	244	472	759
<b>ASSAULT</b>	2	3	3	8	18	19	25
<b>ASSIST OTHER AGENCIES</b>	4	2	3	9	81	106	150
<b>BREAKING AND ENTERING</b>	0	0	0	0	1	6	4
<b>CONSERVATION</b>	2	6	7	15	106	74	76
<b>MDOP (Mal. Dest. Of Property)</b>	6	2	2	10	47	57	54
<b>NARCOTICS VIOLATIONS</b>	1	0	3	4	17	21	17
<b>LARCENY</b>	12	4	6	22	64	66	63
<b>MOTORIST ASSIST</b>	43	76	41	160	457	450	441
<b>OWI</b>	2	0	0	2	4	5	7
<b>PUBLIC INJURY</b>	19	21	18	58	144	140	134
<b>VIOLATION OF PARK RULES</b>	24	79	112	215	938	512	353
<b>SEXUAL ASSAULT</b>	0	0	0	0	1	2	0
<b>STOLEN/REC. VEHICLES</b>	0	0	0	0	1	0	0
<b>TRAFFIC ACCIDENT</b>	7	4	2	13	49	49	42
<b>WEAPONS</b>	0	0	0	0	2	1	1
<b>INDECENT EXPOSURE</b>	0	1	0	1	4	3	4
<b>WARRANTS SERVED</b>	0	0	0	0	5	13	11
<b>OTHER MISD. TRAFFIC</b>	3	1	4	8	25	21	35
<b>FOUND/LOST PROPERTY</b>	6	11	13	30	108	84	73
<b>MISCELLANEOUS</b>	42	134	120	296	1,410	694	554
<b>TOTALS</b>	<b>185</b>	<b>355</b>	<b>340</b>	<b>880</b>	<b>3,726</b>	<b>2,795</b>	<b>2,803</b>

Police Department (con't) –

<b>PATROL</b>	<b>DISTRICT</b>			<b>TOTALS</b>			
	<b>EAST</b>	<b>WEST</b>	<b>SOUTH</b>	<b>MONT H</b>	<b>2010 YTD</b>	<b>2009 YTD</b>	<b>2008 YTD</b>
<b>AUTO MILES</b>	18,942	22,106	18,141	59,189	311,061	340,449	353,552
<b>OTHER MILES</b>	0	327	1,652	1,979	6,332	10,699	1,346
<b>BOAT HOURS</b>	68	60	0	128	316	227	316
<b>CYCLE/CART HOURS</b>	48	440	437	925	2,491	3,588	5,639
<b>BICYCLE HOURS</b>	64	17	51	132	330	123	343
<b>MOUNTED HOURS</b>	0	0	0	0	54	52	440

<b>ENFORCEMENT</b>	<b>DISTRICT</b>			<b>TOTALS</b>			
	<b>EAST</b>	<b>WEST</b>	<b>SOUTH</b>	<b>MONT H</b>	<b>2010 YTD</b>	<b>2009 YTD</b>	<b>2008 YTD</b>
<b>TRAFFIC CITATIONS</b>	38	14	5	57	199	281	308
<b>MISDEMEANOR CITATIONS</b>	23	6	10	39	89	94	113
<b>MARINA CITATIONS</b>	0	0	0	0	0	1	2
<b>TOLLGATE ENVELOPES</b>	0	210	53	263	2,709	4,256	3,826
<b>IN-CUSTODY ARRESTS</b>	7	1	0	8	17	30	42
<b>ARREST / BOND / CITATION</b>	1	2	6	9	39	26	11
<b>WARNINGS - WRITTEN</b>	7	25	90	122	675	536	628
<b>WARNINGS - ORAL</b>	361	232	239	832	2,916	2,578	3,016
<b>JUVENILES DETAINED</b>	0	0	2	2	2	21	24

<b>OTHER</b>	<b>DISTRICT</b>			<b>TOTALS</b>			
	<b>EAST</b>	<b>WEST</b>	<b>SOUTH</b>	<b>MONT H</b>	<b>2010 YTD</b>	<b>2009 YTD</b>	<b>2008 YTD</b>
<b>TRAINING HOURS</b>	4	0	12	16	602	882	1,753
<b>COLLATERAL DUTY HOURS</b>	0	408	435	843	6,111	6,122	5,915
<b>PUBLIC RELATIONS DETAILS</b>	0	0	0	0	0	10	13
<b>FEES COLLECTED</b>	0	3,005	580	3,585	46,591	40,872	34,308
<b>CITIZEN COMPLAINTS</b>	0	1	0	1	1	2	0
<b>CALLS FOR SERVICE</b>	185	355	340	880	3,726	2,795	2,803

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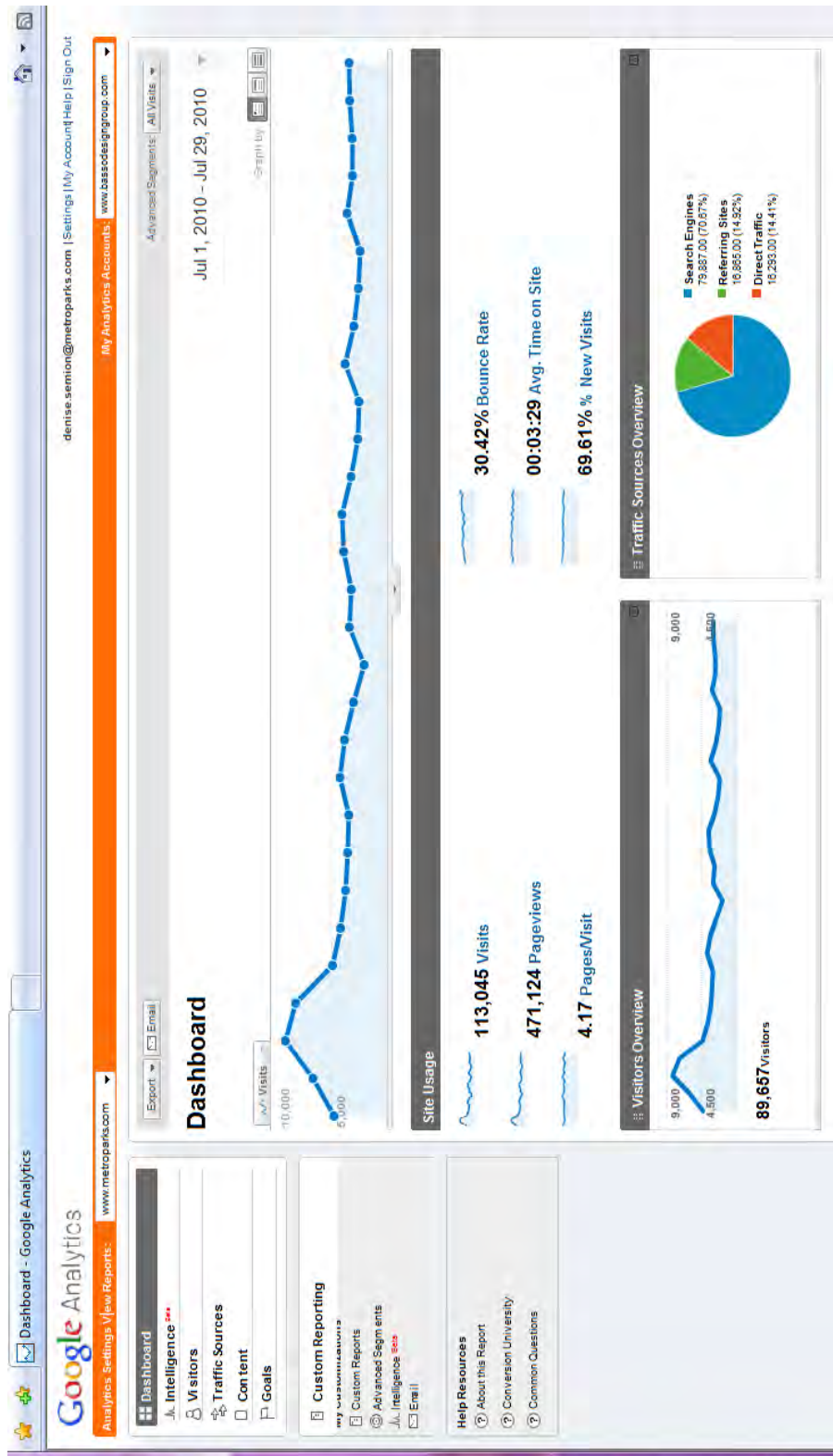
# July 2010 Marketing Report

Sum of Cost			
Activity Type	Activity	Park (8XX)	Total
News Release	Interpretive Events July	Hudson Mills Indian Springs Kensington Lake Erie Metro Beach Oakwoods Stony Creek Wolcott Mill	
	Grand Encampment	Stony Creek	
	Lavender Festival	Wolcott Mill	
	Summer fun with Rosco	Metro Beach	
	Music, dancing - July	Metro Beach	
	Car Show	Willow	
	Brick Breaking Challenge	Metro Beach	
	Voyageur Encampment	Metro Beach	
	Sawdust Festival	Wolcott Mill	
	Family Camping July	Stony Creek	
	American Lotus Blooming	Lake Erie	
News Release Total			
Advertising	Golf Coupon - Valpak	Hudson Mills	212.50
		Huron Meadows	212.50
		Indian Springs	212.50
		Kensington	212.50
		Lake Erie	212.50
		Stony Creek	212.50
		Willow	212.50
		Wolcott Mill	212.50
	Radio advertising - WHMI	Hudson Mills	583.34
		Huron Meadows	583.34
	Kensington	583.32	
Advertising Total			3,450.00
e-Mail	Top Picks for the weekend	Hudson Mills Lake Erie Stony Creek Willow	
	email enter to win gift cards - July	AO	425.00
	Email contract started; Fluency Media issued emails July 21 and 28	AO	
	2,340 email addresses added this month. Mailing list totals approx. 15,000 addresses. Cards collected: Metro Beach 890, Stony Creek & WM – 3,732, Kensington – 1,200, Hudson Mills, Dexter-Huron, Delhi, IS, Huron Meadows – 600. LH. Willow. Oakwoods	AO	
	e-Mail Total		
Miscellaneous	MLC Invasive Display Series	Kensington	
	Photograh	AO	250.00
	Press release reading fee	AO	290.00
	Brochure Distribution	AO	380.00
	Promote all of the Metroparks	Kensington	
	Promote the Metroparks and Mobile Learning Center Programs	Kensington	
Miscellaneous Total			920.00
news story	Grand encampment - Detroit Monitor, Detroit News stories	Stony Creek	
	Hot Coals Burn Children - News Herald, WDIV	Lower Huron	
	Metropark officers honor fallen officers	Kensington	
	Oakland Press, Hiking Kensington	Kensington	
	Detroit Free Press story on holiday drinking	AO	
	News Herald story on Discovery Cruises	Lake Erie	
	Article in Hometown Life on Farmer for a Day	Kensington	
	Interview with Macomb Daily about butterfly gardening and native plants	Metro Beach	

news story Total			
Print Materials	Skip's Canoe Rental Poster/Sign	Hudson Mills	72.00
	Splash 'n' Blast Coupons	Kensington	135.00
	2010 major events schedule	AO	299.00
	Printed Flyers	Lake Erie	150.00
	Email "enter to win" cards	AO	857.00
Print Materials Total			1,513.00
Website	Web hosting, maintenance and SEO	AO	1,431.00
	Flickr professional fee	AO	25.00
	Facebook - 300 new people to make 2500 fans	AO	
Website Total			1,456.00
Interpretive	Interview on Cable Show about Monarch butterflies	Metro Beach	
	Out-of-park library presented programs & gave out literature	Metro Beach	
	Flyers created and run distributed at NC, PO & pt programs	Metro Beach	
Interpretive Total			
Grand Total			7,764.00

	HCMA DAILY \$4 off	CARL'S GOLF LAND	GOLF SHOW	Spring Direct mail card	Fall Direct Mail	Detroit News/Free Press/O&E Fall	PUNCH CARD	COUPON BOOK FREE CART	B-DAY	COURTESY VOLUNTEER PASS	HCMA Web	Free League	Valpak	OTHER	OTHER
WM	1	11	10				45		22				32		
SC	743	81	13				54		25				154		
IS	504	67	38				114		12				81		
K	1433	177	93				154		59				63		
H MDWS	2	36	28				139		54				148		
HM	1	32	17				40		14				62		
WILLOW	7	46	32				127		10				46		
LE	1	23	35				65	1	4				60		
TOTALS	2,692	473	266	0	0	0	738	1	200	0	0	0	646	0	0







# HURON-CLINTON METROPARKS MONTHLY STATISTICS

JULY 2010

PARK	MONTHLY VEHICLE ENTRIES		
	Current Year	Previous Year	Change
Metro Beach	78,862	78,306	0.7%
Wolcott Mill	5,048	4,523	11.6%
Stony Creek	92,972	84,923	9.5%
Indian Springs	14,771	15,463	-4.5%
Kensington	109,231	110,020	-0.7%
Huron Meadows	10,678	11,223	-4.9%
Hudson Mills	31,413	31,783	-1.2%
Lower Huron	62,552	62,911	-0.6%
Willow	28,956	25,230	14.8%
Oakwoods	4,060	4,330	-6.2%
Lake Erie	38,212	38,546	-0.9%
Monthly TOTALS	476,755	467,258	2.0%

MONTHLY TOLL REVENUE		
Current Year	Previous Year	Change
\$ 207,721	\$ 159,253	30.4%
\$ 25	\$ 72	-65.3%
\$ 227,503	\$ 175,373	29.7%
\$ 27,138	\$ 23,878	13.7%
\$ 217,109	\$ 165,147	31.5%
\$ 2,615	\$ 1,252	108.9%
\$ 47,290	\$ 41,032	15.3%
\$ 128,723	\$ 84,218	52.8%
\$ 54,878	\$ 34,068	61.1%
\$ 3,550	\$ 3,497	1.5%
\$ 84,115	\$ 63,236	33.0%
\$ 1,000,667	\$ 751,026	33.2%

MONTHLY TOTAL PARK REVENUE		
Current Year	Previous Year	Change
\$ 372,747	\$ 311,722	19.6%
\$ 77,446	\$ 89,946	-13.9%
\$ 426,769	\$ 390,373	9.3%
\$ 124,457	\$ 141,542	-12.1%
\$ 507,202	\$ 435,453	16.5%
\$ 137,117	\$ 145,123	-5.5%
\$ 148,885	\$ 161,360	-7.7%
\$ 534,033	\$ 342,281	56.0%
\$ 235,619	\$ 188,095	25.3%
\$ 4,519	\$ 4,394	2.8%
\$ 368,166	\$ 318,736	15.5%
\$ 2,936,960	\$ 2,529,025	16.1%

PARK	Y-T-D VEHICLE ENTRIES		
	Current Year	Previous Year	Change
Metro Beach	287,738	287,150	0.2%
Wolcott Mill	19,059	18,977	0.4%
Stony Creek	325,810	311,995	4.4%
Indian Springs	62,384	63,515	-1.8%
Kensington	476,996	494,517	-3.5%
Huron Meadows	52,258	48,606	7.5%
Hudson Mills	141,508	139,494	1.4%
Lower Huron	226,070	208,850	8.2%
Willow	134,182	120,659	11.2%
Oakwoods	24,606	25,340	-2.9%
Lake Erie	134,832	139,596	-3.4%
Y-T-D TOTALS	1,885,443	1,858,699	1.4%

Y-T-D TOLL REVENUE		
Current Year	Previous Year	Change
\$ 836,584	\$ 711,941	17.5%
\$ 490	\$ 292	100%
\$ 1,058,389	\$ 839,717	26.0%
\$ 167,579	\$ 151,276	10.8%
\$ 1,083,571	\$ 916,104	18.3%
\$ 26,285	\$ 17,132	53.4%
\$ 278,167	\$ 240,636	15.6%
\$ 336,036	\$ 264,494	27.0%
\$ 178,902	\$ 127,729	40.1%
\$ 28,765	\$ 27,488	4.6%
\$ 345,493	\$ 285,711	20.9%
\$ 4,340,261	\$ 3,582,520	21.2%

Y-T-D TOTAL PARK REVENUE		
Current Year	Previous Year	Change
\$ 1,239,077	\$ 1,118,819	10.7%
\$ 282,654	\$ 283,856	-0.4%
\$ 1,828,845	\$ 1,656,346	10.4%
\$ 553,561	\$ 590,161	-6.2%
\$ 2,000,036	\$ 1,762,961	13.4%
\$ 495,586	\$ 511,502	-3.1%
\$ 672,767	\$ 668,128	0.7%
\$ 996,592	\$ 750,194	32.8%
\$ 696,120	\$ 617,891	12.7%
\$ 38,257	\$ 38,662	-1.0%
\$ 1,118,008	\$ 1,130,737	-1.1%
\$ 9,921,503	\$ 9,129,257	8.7%

Y-T-D Vehicle Entries by Management Unit			
Metro Beach	287,738	287,150	0.2%
Stony Creek Wolcott Mill	344,869	330,972	4.2%
Kensington	476,996	494,517	-3.5%
Hudson Mills Indian Springs Huron Meadows	256,150	251,615	1.8%
Lower Huron Willow Oakwoods Lake Erie	519,690	494,445	5.1%

Y-T-D Toll Revenue by Management Unit		
\$ 836,584	\$ 711,941	17.5%
\$ 1,058,879	\$ 840,009	26.1%
\$ 1,083,571	\$ 916,104	18.3%
\$ 472,031	\$ 409,044	15.4%
\$ 889,196	\$ 705,422	26.1%

Y-T-D Total Revenue by Management Unit		
\$ 1,239,077	\$ 1,118,819	10.7%
\$ 2,111,499	\$ 1,940,202	8.8%
\$ 2,000,036	\$ 1,762,961	13.4%
\$ 1,721,914	\$ 1,769,791	-2.7%
\$ 2,848,977	\$ 2,537,484	12.3%

**ACTIVITY REPORT - GOLF**

GOLF COURSE	MONTHLY ROUNDS		
	Current Year	Previous	Change
Wolcott Mill	3,449	4,051	-14.9%
Stony Creek	6,197	6,507	-4.8%
Indian Springs	3,865	4,751	-18.6%
Kensington	7,715	6,285	22.8%
Huron Meadows	4,561	5,136	-11.2%
Hudson Mills	3,042	3,785	-19.6%
Willow	4,482	5,201	-13.8%
Lake Erie	4,053	4,913	-17.5%
Regulation Subtotal	37,364	40,629	-8.0%
MB Par 3	3,557	5,357	-
L. Huron Par 3	1,692	2,701	-37.4%
<b>TOTALS</b>	<b>42,613</b>	<b>48,687</b>	

ROUNDS Y-T-D		
Current Year	Previous Year	Change
11,050	10,952	0.9%
19,538	18,423	6.1%
13,552	14,891	-9.0%
24,925	19,919	25.1%
15,964	16,849	-5.3%
10,647	11,503	-7.4%
13,791	14,813	-6.9%
13,578	16,426	-17.3%
123,045	123,776	-0.6%
9,783	12,897	-
5,056	7,451	-32.1%
<b>137,884</b>	<b>144,124</b>	

GOLF REVENUE Y-T-D		
Current Year	Previous Year	Change
\$ 227,630	\$ 232,071	-1.9%
\$ 501,753	\$ 555,665	-9.7%
\$ 332,816	\$ 377,322	-11.8%
\$ 465,585	\$ 464,220	0.3%
\$ 393,026	\$ 417,220	-5.8%
\$ 240,927	\$ 266,254	-9.5%
\$ 336,406	\$ 380,699	-11.6%
\$ 311,277	\$ 387,965	-19.8%
\$ 2,809,421	\$ 3,081,416	-8.8%
\$ 49,501	\$ 65,435	-24.4%
\$ 25,943	\$ 37,965	-31.7%
<b>\$ 2,884,865</b>	<b>\$ 3,184,816</b>	<b>-9.4%</b>

**ACTIVITY REPORT - INTERPRETIVE FACILITIES**

FACILITY	MONTHLY ATTENDANCE		
	Current Year	Previous	Change
Metro Beach	18,767	15,122	24.1%
Wolcott Mill	4,119	3,861	6.7%
Wolcott Farm	9,433	8,170	15.5%
Stony Creek	24,537	31,423	-21.9%
Indian Springs	5,378	7,858	-31.6%
EDC	8	6	33.3%
Kensington NC	29,955	33,994	-11.9%
Kensington Farm	31,909	34,561	-7.7%
Hudson Mills	4,507	4,257	5.9%
Oakwoods	8,604	12,011	-28.4%
LEMP Museum	14,748	16,593	-11.1%
Mobile Unit	3,130	3,252	-3.8%
<b>TOTALS</b>	<b>155,095</b>	<b>171,108</b>	<b>-9.4%</b>

ATTENDANCE Y-T-D		
Current Year	Previous Year	Change
93,799	72,801	28.8%
19,597	21,061	-7.0%
41,529	41,864	-0.8%
151,042	161,539	-6.5%
44,088	41,726	5.7%
30,346	24,173	25.5%
194,297	194,802	-0.3%
236,008	236,983	-0.4%
25,367	28,040	-9.5%
76,412	82,913	-7.8%
96,244	91,583	5.1%
18,764	16,798	11.7%
<b>1,027,493</b>	<b>1,014,283</b>	<b>1.3%</b>

REVENUE Y-T-D		
Current Year	Previous Year	Change
\$ 8,325	\$ 9,558	-12.9%
\$ 2,594	\$ 3,046	-14.8%
\$ 30,005	\$ 27,248	10.1%
\$ 14,472	\$ 13,917	4.0%
\$ 7,576	\$ 6,121	23.8%
\$ 10,703	\$ 9,154	16.9%
\$ 11,056	\$ 10,401	6.3%
\$ 42,061	\$ 47,095	-10.7%
\$ 5,619	\$ 6,756	-16.8%
\$ 8,710	\$ 10,486	-16.9%
\$ 5,429	\$ 6,061	-10.4%
7,523	8,092	-7.0%
<b>\$ 154,073</b>	<b>\$ 157,935</b>	<b>-2.4%</b>

**ACTIVITY REPORT - FINAL SUMMER ACTIVITIES**

SWIMMING	PATRONS		
	Current Year	Previous	Change
Metro Beach	25,131	15,517	62.0%
KMP Splash-Blast	22,404	16,667	34.4%
Lower Huron	47,630	29,011	64.2%
Willow	9,795	0	NA
Lake Erie	22,172	14,416	53.8%
<b>TOTALS</b>	<b>127,132</b>	<b>75,611</b>	

PATRONS Y-T-D		
Current Year	Previous Year	Change
43,458	33,931	28.1%
39,307	29,882	31.5%
73,010	50,616	44.2%
15,539	0	NA
35,951	30,726	17.0%
<b>207,265</b>	<b>145,155</b>	

REVENUE Y-T-D		
Current Year	Previous Year	Change
\$ 127,603	\$ 99,068	28.8%
\$ 131,960	\$ 98,275	34.3%
\$ 485,996	\$ 331,042	46.8%
\$ 56,074	\$ -	NA
\$ 173,456	\$ 148,807	16.6%
<b>\$ 975,089</b>	<b>\$ 677,192</b>	



PARK	Winter Sports this Month			Winter Sports Y-T-D					
	Current Year	Previous Year	Change	Current Year	Previous Year	Change			
<b>Metro Beach</b>									
XC Skiers	0	0	-	62	184	(122.00)			
Ice Skaters	0	0	-	767	896	(129.00)			
Ice Fishermen	0	0	-	6,739	8,120	(1381.00)			
<b>Stony Creek</b>									
XC Skiers	0	0	-	5,000	4,080	+ 920			
Ice Skaters	0	0	-	1,157	27	+ 1130			
Sledders	0	0	-	5,142	5,463	(321.00)			
Ice Fishermen	0	0	-	1,779	812	+ 967			
<b>Indian Springs</b>									
XC Skiers	0	0	-	126	648	(522.00)			
Sledders	0	0	-	876	1,235	(359.00)			
<b>Kensington</b>									
XC Skiers	0	0	-	2,337	1,218	+ 1119			
Ice Skaters	0	0	-	2,613	196	+ 2417			
Sledders	0	0	-	10,628	2,516	+ 8112			
Ice Fishermen	0	0	-	1,167	244	+ 923			
<b>Huron Meadows</b>									
XC Skiers	0	0	-	3,307	1,650	+ 1657			
Ice Fishermen	0	0	-	419	376	+ 43			
<b>Hudson Mills</b>									
XC Skiers	0	0	-	2,205	2,210	(5.00)			
<b>Lower Huron</b>									
Ice Skaters	0	0	-	741	860	(119.00)			
<b>Willow</b>									
XC Skiers	0	0	-	756	881	(125.00)			
Ice Skaters	0	0	-	353	563	(210.00)			
Sledders	0	0	-	6,778	2,384	+ 4394			
<b>Lake Erie</b>									
XC Skiers	0	0	-	26	55	-29			
Sledders	0	0	-	134	105	29			
Ice Fishermen	1,104	687	+ 417	5,945	5,189	756			
<b>Totals by Activity</b>				<b>Totals by Activity Y-T-D</b>					
	Current Year	Previous Year	Change	Current Year	Previous Year	Change			
XC Skiers	0	0	-	13,819	10,926	+ 2893			
Ice Skaters	0	0	-	5,631	2,542	+ 3089			
Sledders	0	0	-	23,558	11,703	+ 11855			
Ice Fishermen	1,104	687	+ 417	16,049	14,741	+ 1308			

PARK	Seasonal Activities this Month			Seasonal Activities Y-T-D			Seasonal Revenue Y-T-D		
	Current Year	Previous Year	Change	Current Year	Previous Year	Change	Current Year	Previous Year	Change
<b>Metro Beach</b>									
Welsh Center	18	25	(7)	74	89	(15)	\$ 32,025	\$ 29,025	\$3,000
Picnic Reservations	170	144	+ 26	321	279	+ 42	\$ 56,975	\$ 51,350	\$5,625
Boat Launches	2,143	2,049	+ 94	5,707	5,566	+ 141	NA	NA	NA
Marina	1,094	1,102	(8)	2,478	2,968	(490)	\$ 42,437	\$ 50,172	(\$7,735)
Mini-Golf	3,905	5,686	(1,781)	9,161	12,401	(3,240)	\$ 22,237	\$ 30,450	(\$8,213)
<b>Stony Creek</b>									
Disc Golf <sup>1</sup>	NA	NA	NA	NA	NA	NA	\$ 37,626	\$ 38,247	(\$621)
Picnic Reservations	34	32	+ 2	327	344	(17)	\$ 49,000	\$ 51,375	(\$2,375)
Boat Rental	5,971	4,816	+ 1155	11,781	9,677	+ 2104	\$ 82,556	\$ 73,304	\$9,252
Boat Launches	727	598	+ 129	1,945	1,948	(3)	NA	NA	NA
<b>Indian Springs</b>									
Picnic Reservations	3	7	(4)	51	45	+ 6	\$ 7,650	\$ 6,110	\$1,540
EDC Room Rental	8	6	+ 2	26	45	(19)	\$ 23,466	\$ 26,584	(\$3,118)
<b>Kensington</b>									
Disc Golf (Single Day)	4,599	NA	NA	21,212	NA	NA	\$ 42,424	NA	NA
Disc Golf Annuals sold	0	NA	NA	131	NA	NA	\$ 6,413	NA	NA
Total Disc Golf							\$ 48,837	NA	NA
Picnic Reservations	40,693	36,822	+ 3871	79,106	76,972	+ 2134	\$ 53,895	\$ 52,800	\$1,095
Boat Rental	4,396	4,090	+ 306	8,558	8,437	+ 121	\$ 80,606	\$ 76,972	\$3,634
<b>Huron Meadows</b>									
Picnic Reservations	3	4	(1)	33	35	(2)	\$ 4,950	\$ 5,020	(\$70)
Boat Rental	111	132	(21)	315	409	(94)	\$ 3,594	\$ 4,956	(\$1,362)
<b>Hudson Mills</b>									
Disc Golf (Single Day)	2,884	3,473		12,965	16,804	NA	\$ 25,930	NA	NA
Disc Golf Annuals sold	1	3	(2)	201	257	(56)	\$ 9,880	NA	NA
Total Disc Golf							\$ 35,810	\$ 45,998	(\$10,188)
Picnic Reservations	17	22	(5)	146	147	(1)	\$ 21,900	\$ 21,925	(\$25)
Canoe Rental <sup>3</sup>	1,971	1,473	+ 498	2,904	2,131	+ 773	\$ 13,156	\$ 10,331	\$2,825
<b>Lower Huron / Willow / Oakwoods</b>									
Picnic Reservations	20	28	(8)	303	253	+ 50	\$ 45,450	\$ 33,825	\$11,625
<b>Lake Erie</b>									
Picnic Reservations	14	11		96	82		\$ 14,225	\$ 12,725	\$1,500
Boat Launches	3,233	3,481	(248)	13,296	13,570	(274)	NA	NA	NA
Marina	NA	NA	NA	NA	NA	NA	\$ 132,495	\$ 139,773	(\$7,278)

Note 1: Park staff can account for daily disc golf sales but total use cannot be accurately tracked because many golfers have an annual disc golf pass.

Note 2: Canoe rental revenue is the HCMA percentage of the concessionaire's total revenue.