

**MINUTES
BOARD OF COMMISSIONERS MEETING
HURON-CLINTON METROPOLITAN AUTHORITY
THURSDAY, MAY 13, 2010**

The regular meeting of the Huron-Clinton Board of Commissioners was held at 10:30am on Thursday, May 13, 2010 at Wolcott Mill Metropark in the Camp Rotary Activities Building. 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
Legal Counsel Michael McGee
Land Consultant Wayne Fetters

Absent: Commissioners Warren C. Evans

The meeting was called to order by Chairman Lester at 10:31am

1. Chairman's Statement

Chairman Lester indicated public comments would be held to three minutes per speaker and requested all to recognize and respect each citizen's right to opinion and right to address the Board of Commissioners.

2. Public Comments

Jack Dempsey, Michigan Historical Commission, commented on the unique historical aspects of the State Fairgrounds and offered the assistance of the Historical Commission to preserve those assets.

Karen Hammer, Greenacres Woodward Civic Association, commented in support of a Metropark at the State Fairgrounds.

Commissioner Marans entered the meeting room.

Byna Camden, Inter-county Citizens Achieving Regional Excellence (ICARE) commented in support of a Metropark at the State Fairgrounds citing the tax revenue provided over the years by residents of the city of Detroit and Wayne County.

Gerald Sieja, Sterling Heights resident, commented in opposition to a Metropark at the State Fairgrounds citing costs for maintenance and security and ability to maintain operations at the current Metroparks.

Mark Martino, Michigan CAT, commented on the purchasing agenda item – Wheel Loader, providing argument why an award should be made to Michigan Tractor and Machinery.

Jeff Ely, AIS Construction, commented on the purchasing agenda item – Wheel Loader, providing argument why an award should be made to AIS Construction Equipment Corp.

Larry Noodén, Clinton Huron Environmental Coalition (CHEC), commented the State Fair needs radical change and would be an economic burden to the Metroparks.

Toni Spears, HCMA volunteer, commented on the proposed revised five-year plan noting reduced resources, equipment replacement and capital improvements and that a long-term revenue resource should be found before the Metroparks takes on the State Fairgrounds.

Ed Bullock, ICARE II, commented it would be a tragedy for the Metroparks not to do something at the State Fairgrounds noting three-quarter of a billion dollars in taxes has been provided by Wayne County and inner ring cities.

T.R. Cagney, Carleton Equipment Company, commented on the purchasing item – Wheel Loader, stating his product was the low bid and the specification of a seven-year warranty was obtained though not until after the bid deadline. He requested the Carleton Equipment Company bid be considered.

Norm Muller, resident, stated seniors are being pushed out by increased rental rates at Metro Beach Metropark and that Saturday night dances have been eliminated.

Commissioner Lester stated the matter will be reviewed.

3. Minutes

It was moved by Commissioner Hertel, supported by Commissioner Marans that the minutes for the April 8, 2010 regular meeting be approved as submitted.

Motion carried unanimously.

4. Financial Statements

a. 2009 Audited Financial Statements

Controller Wahl reported the Authority's auditing firm. Rehmann Robson has completed their audit of the Authority's accounting records, pension plan, retiree healthcare trust and related financial statements for 2009 issuing an unqualified opinion. Mark Tschirhart and Michelle Moore from Rehmann Robson were present to review the 2009 audit financial statements.

It was moved by Commissioner Marans, supported by Commissioner Marrocco that the 2009 audited financial statements be accepted.

Motion carried unanimously.

b. April 2010

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

Motion carried unanimously.

Commissioners La Belle and Hertel noted the outstanding efforts of staff and that the 2009 audited financial statements was a clean audit in a long string of clean audits.

Treasurer Marans indicated he had reviewed the 2009 Audited financial statements in detail.

5. Vouchers

It was moved by Commissioner Hertel, supported by Commissioner Marrocco that the vouchers for April 2010 (0209697 through 0210332) be approved as submitted.

Motion carried unanimously.

6. Purchases

In response to Commissioner Marrocco's inquiry, T.R. Cagney, Carleton Equipment Company, indicated the warranty commitment on the Carleton bid could not be obtained from the manufacturer for the wheel loader bid until after the bid closing.

It was moved by Commissioner Marrocco, supported by Commissioner Hertel that the following purchases for April 2010 be approved as recommended by Purchasing Manager Scott Michael and staff.

ITB-10-018	Wheel Loader
ITB-10-028	Litter Vacuum
ITB-10-027	Picnic Shelter
ITB-10-030	Aquatic Chemicals
RFQ	Base Station Repeater
RFQ-10-027	Paddleboats

Motion carried unanimously.

7. Reports

A. Kensington Metropark

1. Bids – Water System Improvements, Orchard Comfort Station

Chief Engineer Arens reported the project includes the revision of two potable water supply wells, construction of a 70 square foot addition to the existing comfort station to house new pressure tank, plumbing and filter systems, miscellaneous underground work to existing water supply lines, and related work.

It was moved by Commissioner Walters, supported by Commissioner Marans that Contract No. 704-10E be awarded to the lowest responsible, responsive bidder, Ed Birkmeier Well Drilling, in the amount of \$49,859.00 as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

2. Contractor claim – Martindale Bathhouse Redevelopment

Chief Engineer Arens reported that a tentative agreement on the claim has been reached with the contractor in the amount of \$35,000. Arens reported the contractor tentatively agrees that he will execute a settlement agreement as part of a Change Order document, and that he will indemnify the Authority from any claims from subcontractors relating to the claim.

It was moved by Commissioner Marans, supported by Commissioner La Belle that the Board of Commissioners approve the tentative agreement to pay \$35,000 in settlement of the contractor's claim that staff be authorized to execute a Change Order formalizing the agreement and that an appropriation from the Reserve For Future Contingencies Account be made.

It was moved by Commissioner La Belle, supported by Commissioner Marans that the motion be amended to include, that as part of the settlement Braun Construction Group will expressly indemnify the Authority from any subcontractor claims.

The Motion as amended carried unanimously.

3. Bids – Administrative Office Building Exterior Repairs

Chief Engineer Arens reported the project is to repair the Dryvit-finished portions of the Administrative Office (window areas, soffits and columns at various locations around the building); provide cleaning, re-finishing and caulking of Dryvit areas.

It was moved by Commissioner Marans, supported by Commissioner Walters that a purchase order be issued to the lowest responsible, responsive bidder, VJM Design Build, Inc., in the amount of \$16,850.00, and that an appropriation from Reserve for Future Contingencies Account in the amount of \$11,000 be authorized.

Motion carried unanimously.

B. Huron Meadows Metropark

1. DTE Solar Currents Program Contract

Chief Engineer Arens reported the Board of Commissioners approved a contract to revise the electrical system at the Huron Meadows Golf Cart Storage Building including the installation of a roof-mounted 2.4 kilowatt photovoltaic (PV) solar power system which is eligible for a \$5,760 one-time, up-front rebate through DET's SolarCurrents PV reimbursement program. Additionally, a \$0.11 per kilowatt hour credit will be applicable to our monthly electrical bills for the facility, based on power generated by the PV system.

Arens reported that in order to receive the rebate and credit, the Authority must enter into a "SolarCurrents Customer-Owned Solar Pilot Program Contract" (SolarCurrents Contract) and an "Interconnection and Parallel Operating Agreement" (Interconnection Agreement) with DTE Energy. Arens said that as part of the contract and agreement:

- The Authority will sell and DTE will purchase Renewable Energy Credits (RECs) generated by the PV system;
- The Agreement term is 20 years; Authority to remain a customer of DTE throughout term;
- DTE reserves the right to disconnect the interconnected PV system from their system under certain circumstances; and other provisions.

It was moved by Commissioner Walters, supported by Commissioner Marans that the Board of Commissioners approve of the SolarCurrents Contract and Interconnection Agreement, and that staff be authorized to execute the documents as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

C. Hudson Mills Metropark

1. Bids – Activity Center Parking Lot Expansion

Chief Engineer Arens reported the project is to construct an approximately 1.1 acre aggregate-surfaced parking lot addition to the existing asphalt-surfaced lot at the Activity Center, including removal of selected pavement areas, grading, placement of aggregate material, partial pavement of entrance and turnaround lanes, parking bumpers, drainage improvements and related work.

It was moved by Commissioner Marans, supported by Commissioner Walters that Contract No. 508-10H be awarded to the lowest responsible, responsive bidder, Summit Transport, Inc., in the amount of \$170,338.50 as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

D. Administrative Office

1. 2010 Insurance Report

Insurance Consultant, Haig Neville, presented a Management Report and Insurance Summary of the Authority's 2010 Insurance policies. He reported the Authority's 2010 insurance program continues to be a well-planned comprehensive program at competitive pricing. Neville indicated the total estimated 2010 premium at \$834,958 which is reduced \$3,148 compared to 2009 premiums. Neville also reported the Authority insurance account is competitively marketed annually among "A" rated insurers through the Wolf-Hulbert Company.

It was moved by Commissioner Marrocco, supported by Commissioner Marans that the Board of Commissioners receive and file the 2010 Insurance Report as recommended by Controller Wahl and staff.

Motion carried unanimously

2. 2010 Update to Revised 2009 Five-Year Plan

Controller Wahl presented a proposed 2010 update to the Revised 2009 Five-Year Plan. Wahl indicated the collapse of the residential/commercial/industrial real estate market in southeast Michigan and the estimates of declines in taxable values by County Equalization Departments is larger than projected in the July 2009 Revised Five-Year Plan. Wahl reported projected year 2013 tax revenues of \$26 million or an approximate decline of \$10 million from year 2009.

Commissioner Hertel commented the southeast Michigan economy is likely to worsen and the Board may want to consider a work session prior to approving a new Five-Year Plan.

Commissioner Walters stated a five-year capital improvement plan is good discipline and can be sacrosanct when revenues are growing; but with the present economy is subject to modification at any time.

Commissioner Marans commented on the Strategic Plan and how it may play a part in the adjustment of the Capital Improvement Plan.

Director Miller noted the intent to tie the Five-Year Plan, Reorganizational Study and Strategic Plan together comprehensively by summer's end which will influence preparation of the 2011 budget.

Commissioner La Belle commented the proposed 2010 Updated Five-Year Plan is a useful document for the Board, especially considering that property tax decline is compounding.

Controller Wahl indicated the Five-Year Plan is a general guide for the preparation of each year's annual budget. Wahl said adjustments are made annually based on current economic trends and impact on Authority revenues and expenditures.

It was moved by Commissioner La Belle, supported by Commissioner Walters that the Board of Commissioners recognize the relative validity of the proposed 2010 Update to the Revised 2009 Five-Year Plan and that the document be used for guidance in preparation of the 2011 budget and for any future necessary adjustments to the Five-Year Plan.

Motion carried unanimously.

3. Michigan State Fairgrounds 60-day report

Director Miller presented the Michigan State Fairgrounds 60-day Report including a Summary of Revenue and Expenses for Fiscal Years 2007-2009, a Facility Condition Assessment performed by the SmithGroup, an Environmental Assessment Request for Proposals, an Underground Infrastructures Condition Assessment Proposal, and Draft Site Use Concept Plans.

It was moved by Commissioner Hertel, supported by Commissioner Lester that the Huron-Clinton Metropolitan Authority engage in a process of negotiating with the State of Michigan a five-year lease at \$1.00 per year to begin creation of a Metropark at the State Fairgrounds and to include an option of a 25-year lease if the HCMA desires to exercise that option.

ROLL CALL VOTE

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

Motion Failed.

It was moved by Commissioner Walters, supported by Commissioner Marrocco that the Board of Commissioner explore, with the city of Detroit and other interested parties, the feasibility of a Metropark in the city of Detroit.

Commissioner Hertel voiced concern of singling out one community, concerns of missing a great opportunity at the State Fairgrounds, concurred with the fairness of a Metropark in Detroit and commented that any such Metropark be under full control of the Authority.

Commissioner Marrocco commented that the HCMA cannot afford the expense of a Metropark at the State Fairgrounds; that any Metropark in Detroit would be near mass transit, that a Metropark at the State Fairgrounds should not be forced on the city of Detroit administration and that the letter received by the Authority in favor of a Metropark at Rouge Park should be evaluated.

Commissioner Marans indicated the SmithGroup report influenced his opinion and that the motion does not preclude the possibility of a Metropark at the State Fairgrounds.

Commissioner La Belle commented that the SmithGroup results were valid regarding concerns over raising expectations of surrounding residents and concern that the city of Detroit was opposed to a Metropark at the State Fairgrounds.

Commissioner Lester commented that this was a great opportunity for the Metroparks to serve Detroit residents who could not otherwise get to current Metropark locations, that wherever a Metropark is located within the city of Detroit it will require funding and that a new search study will be costly and tie up staff time.

Commissioner Walters commented that with the contraction of the city now is, or could be, an opportune time for a Metropark within the city of Detroit.

Chairman Lester called the question.

Motion carried unanimously.

Commissioner Marrocco exited the meeting room.

4. Proposal – Organizational Structure and Operational Improvement Report

Director Miller presented a proposal from consultant D. Kerry Laycock, CMC to facilitate an organizational review process to identify opportunities for improvement and organizational efficiencies, provide an independent assessment of the organization and provide recommendations on organizational structure and work process that produce efficiencies and align the organization to its emerging business strategy.

It was moved by Commissioner Marans, supported by Commissioner Walters that the Board of Commissioners authorize the execution of the proposed contract dated April 9, 2010 with D. Kerry Laycock for the not to exceed amount of \$25,600.00 to complete an Organizational Structure and Operational Improvements Project and that funding for these services be provided through the Authority's Reserve for Future Contingencies Account as recommended by Director Miller and staff.

Motion carried unanimously.

5. Auditor appointment

It was moved by Commissioner Marans, supported by Commissioner Hertel that the Board of Commissioners appoint the firm of Rehmann Robson as the Authority's independent auditor for a period of four years (through the 2013 audit).

Motion carried unanimously.

6. Resolution – Sign replacement permit, Wayne County DPS

Chief Engineer Arens reported that in order to permit the placement of pathfinder signs by Authority forces within Wayne County road rights-of-way, the Wayne County Department of Public Services (WCDPS) requires the Authority to approve a Pathfinder Sign Permit Resolution as part of its permitting process.

It was moved by Commissioner La Belle, supported by Commissioner Walters that the Board of Commissioners approve the Pathfinder Path Sign Permit as presented and recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

7. Retiree healthcare benefits

Human Resources Officer, Bill Johnstone reported staff has investigated several retiree health plan options and is recommending that the Authority switch to a Medicare Advantage plan offered by Blue Cross Blue Shield that is equivalent to our active employees' plan.

Johnstone reported that an extensive review of past collective bargaining agreements was performed with the assistance of the Authority's legal counsel and that based on legal counsel's opinion it is recommended that pre May 9, 1985 retirees continue in the current traditional plan.

It was moved by Commissioner La Belle, supported by Commissioner Walters that the Board of Commissioners authorize staff to proceed with implementation of the Medicare Advantage plan offered by Blue Cross Blue Shield effective July 1, 2010 for the post May 8, 1985 retirees as recommended by Human Resources Officer Johnstone and staff.

Motion carried unanimously.

8. Donations (5)

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

- A \$350 bench donation made by Sabu Anthony for Lake Erie.
- A \$475 bench donation made by Kathryn Slattery for use at Hudson Mills.
- A donation of dog and goat agility equipment made by Sharon Grech for use at the Wolcott Mill Farm Center
- A \$2,590 donation to purchase new skate skis from Team Nordic Ski Racer (15K Frosty Race proceeds) for use at Huron Meadows.
- A \$500 donation to purchase new cross-country ski equipment made by the Washtenaw Ski Touring Society for use at Huron Meadows.

Motion carried unanimously.

9. Legislative report

Legislative consultant George Carr provided a synopsis of the complex upcoming state legislature elections. Carr reported of the 110 House districts there are 52 open seats and of the 38 Senate districts there are 29 open seats. Carr indicated there will be significant changes to the legislature especially within the Metroparks districts.

Moved by Commissioner La Belle, supported by Commissioner Hertel that the Board of Commissioners receive and file the legislative report.

Motion carried unanimously.

8. Closed Session

It was moved by Commissioner Marans, supported by Commissioner Walters that the Board of Commissioners immediately adjourn to a closed session to discuss land acquisition.

ROLL CALL VOTE

Voting yes: Commissioners Hertel, Lester, La Belle, Marans, Walters
Voting no: None
Absent: Commissioner Evans, Marrocco

The regular meeting adjourned at 12:17pm.

In closed session, it was moved by Commissioner Marans, supported by Commissioner Walters that the Board of Commissioners immediately reconvene to the regular meeting.

ROLL CALL VOTE

Voting yes: Commissioners Lester, La Belle, Marans, Walters
Voting no: None
Absent: Commissioner Evans, Marrocco, Hertel

The regular meeting reconvened at 12:34pm

It was moved by Commissioner Marans, supported by Commissioner Walters that the Board of Commissioners authorize staff to proceed as discussed in the closed session.

Motion carried unanimously.

9. Director's comments

Director Miller requested the Board provide their DSO invitee list, encouraged Board attendance at the DSO concerts, indicated there has been discussion regarding an implementation strategy for the Strategic Plan, advised the Board of the June 12 Spring Auction at Huron Meadows and reminded the Board that election of officers is to occur at the June Annual meeting of the Board of Commissioners.

10. Commissioners' comments

Commissioner Hertel thanked the staff for their efforts in preparing the 60-day State Fairgrounds report. He also observed that in his 13 years as manager of the State Fair, there was not one criminal incident, felonies or misdemeanors at or near the State Fairgrounds and erroneous comments to the contrary does damage to the State Fair, surrounding neighborhoods and the city of Detroit.

Commissioner La Belle expressed that with the current economy we must be concerned about what we have to do, not what we want to do.

Commissioner Marans asked staff to provide more information on the Metro Beach senior program and the basis for the complaint expressed during public comments.

Commissioner Lester expressed appreciation for all input regarding the proposal for a Metropark at the State Fairgrounds. He noted that there were differences of opinion but that the issue is behind us and that he trusted all will go forward together to make the Huron-Clinton Metroparks the best park system in the world.

11. Motion to Adjourn

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

The meeting adjourned at 12:42pm.

Respectfully submitted,



Gregory J. Almas
Executive Secretary