

**MINUTES
BOARD OF COMMISSIONERS MEETING
HURON-CLINTON METROPOLITAN AUTHORITY
THURSDAY, AUGUST 11, 2011**

The regular meeting of the Huron-Clinton Metropolitan Authority's Board of Commissioners was held at 10:30 a.m. on Thursday, August 11, 2011 at Oakwoods Metropark at the Nature Center. 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: Anthony V. Marrocco
John E. La Belle
John C. Hertel
John P. McCulloch
Robert W. Marans
Harry E. Lester
Timothy J. McCarthy

Staff Officers:
Director David C. Moilanen
Deputy Director Gregory J. Almas
Controller David L. Wahl
Executive Secretary George Phifer

Absent: None

Others: Legislative Consultant George Carr

The meeting was called to order by Chairman Marrocco at 10:30 a.m.

1. Chairman's Statement

Chairman Marrocco welcomed new Commissioner Tim McCarthy to the Metroparks.

2. Public Comments

State Rep. Ken Goike (R-33), commented that Wolcott Farm and the learning center are valuable assets in the state of Michigan and the Metroparks. Goike said he visits the Metroparks often and has firsthand knowledge on how the farm is managed. Goike also said he would encourage keeping Wolcott as part of the Metroparks. It's a valuable community asset; the farming is fulfilling its mission.

Larry Noodén, Clinton Huron Environmental Coalition (CHEC), commented that we live in a stressed society and that major users of the parks use them to relieve stress. Noodén said the park experience puts you in a tranquil mood. Noodén also said the forest service in Finland has really taken an aggressive role about educating the public about the natural environment that exists in park settings.

Toni Spears, HCMA volunteer, commented on the generous REI donation to the Metroparks and that volunteers did an excellent job removing Autumn Olive from the parks.

Former HCMA Commissioner Jim Young commented that it was good to be at the meeting. Young said he had the opportunity to visit five parks and three golf courses and that the staff is doing a wonderful job maintaining these golf courses. Young said Stony Creek golf course, Willow golf course and Kensington's farm center were privatized at one time and it did not work. Privatization means you have to lay people off, and if you privatize, you can't make money. Young said if it is decided to privatize, staff should make the decision on what course to privatize. Metroparks staff takes care of infrastructure maintenance repair and they have the best employees.

3. Minutes – July 2011

It was moved by Commissioner Marans, supported by Commissioner La Belle that the Board of Commissioners approve the July 14, 2011 regular meeting minutes as submitted.

Commissioner McCarthy abstained.

Motion carried.

4. Financial Statements – July 2011

It was moved by Commissioner La Belle, supported by Commissioner Marans that the financial statements for July 2011 be approved as submitted.

Motion carried unanimously.

5. Vouchers

It was moved by Commissioner Lester, supported by Commissioner Hertel that the vouchers for July 2011 (0218026 through 0218629) be approved as submitted.

Motion carried unanimously.

6. Purchases

It was moved by Commissioner Marans, supported by Commissioner McCulloch that the following purchase be approved as recommended by Food Service Administrator Janicse Schlitters and staff.

- ITB-11-012, Brush Chipper – Natural Resources Crew

Motion carried unanimously.

7. Reports

A. Wolcott Mill

1. Bids – Painting Farm Buildings

Chief Engineer Arens reported that the project is to include cleaning, preparing and painting exterior wood siding of Farm Center Buildings, including Horse Barn, Sheep Barn, Dairy Barn, Beef Cattle and Chicken buildings.

Arens said this project was not included in the 2011 Major Maintenance Budget. However, due to existing paint conditions, it is recommended that the project be undertaken in 2011. Existing paint is deteriorated, fading and peeling.

Arens said that major funding for this project was provided through a \$10,000 donation from Mr. Wilson Born, and a \$10,000 donation from Mr. James Nicholson.

It was moved by Commissioner Marans, supported by Commissioner Lester that the Board of Commissioners (1) approve the issuance of a Purchase Order to the lowest responsive, responsible bidder, Gold Star Painting & Maintenance, Inc., in the amount of \$22,000.00; and (2) transfer \$24,000 from the Reserves for Future Contingencies Account to the Wolcott Mill Major Maintenance Account as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

7. Reports

A. Wolcott Mill

2. Report – Wolcott Farm Operations

Chief of Interpretive Services Mike George reported that the Wolcott Mill Farm Center (WMFC) opened to the public in 1997 and is a 250-acre working farm dedicated to interpreting several aspects of rural farm life. The original concept for the farm was to demonstrate modern agricultural practices and to be an educational resource for active farmers in the area as well as the general non-farming public. The intent was to partner with other farm educational institutions such as the cooperative extension service and MSU, even to the extent of providing housing accommodations for agricultural and veterinarian students/interns.

George said initially, the farm staff operated out of a trailer as an office because the old farmhouse on site was not suitable for public use. This restricted the number and types of programs that could be conducted at the site. George said that over the years, with the decline in active farming in the immediate area, the focus of the farm has gradually changed to be more of an educational and recreational facility, appealing to the non-farming public.

George said that today, about 10-12 cows are milked daily for demonstration and the Grade A milk is sold and shipped to a dairy for processing. The herd consists primarily of Holstein cattle, but six different dairy breeds are represented in the herd. George said the farm also grows several crops, among them corn and hay which are utilized as part of the annual feed needs of the farm. Soybeans and wheat are grown as part of their crop rotation and the grain is sold to generate revenue for the Metroparks.

George said a team of three full-time and six part-time employees oversee the day-to-day operation of the farm. Unlike the other interpretive facilities, the HCMA farms are 24/7 operations. Staffers routinely work at odd hours when animal husbandry is involved.

George said school programming and educational outreach are important aspects of what the WMFC offers as part of its overall operation. Using Wolcott as an example, but applicable to all our interpretive facilities, the programming is aligned to the Michigan "Grade Level Content Expectations," or GLCE's. The GLCE's are a set of learning expectations developed by parents, educators, business leaders and university professors to assist schools in the development of local district curricula.

George said essential to HCMA's ability to offer programming aligned to the GLEC's at all of our interpretive facilities are the credentials of staff. The Supervising Farm Interpreter holds a Master's Degree in Agricultural and Extension Education, and has completed a secondary education directed teacher program and earned a secondary teaching certificate and possesses the knowledge and capability to train farm interpreters in these state educational standards. Additionally, the Interpretive Assistant at the farm has earned her "Certified Interpretive Guide" (CIG) credential, a professional certification program offered through the National Association for Interpretation (NAI). The program recognizes individuals who exhibit the knowledge and skills necessary to assure quality interpretive services to all audiences. The credential has become the "gold standard" by which the skills of all interpreters are measured, and many of HCMA's interpreters possess this certification.

George said new proposals (expansion of livestock arena, greenhouse modification and use, trail development and children's play structures) are dependent on the budget process, donations or grants. These proposed changes have the potential to engage more groups and also allow for the accommodation of larger school groups. It also will allow for greater interest in the site by drawing in those that have other interests in being outdoors.

Commissioner McCulloch inquired if Mr. George had direct responsibility for the facility? George answered that he did.

Commissioner Hertel remarked that when giving attendance figures, it should be delineated who actually visits the farm.

Commissioner Marans asked if there was a strategic plan for the farm? George answered that staff will be working on it this year.

Commissioner La Belle commented that to obtain educational standards, we have to get a statement on how much the Authority is spending to maintaining these standards.

It was moved by Commissioner La Belle, supported by Commissioner Hertel that the Board of Commissioners receive and file the Wolcott Mill Metropark Farm Center Operations Report as recommended by Chief of Interpretive Services Michael George and staff.

Motion carried unanimously.

7. Reports

A. Wolcott Mill

3. Contract Proposal to Operate Wolcott Mill Farm

Director Moilanen reported that Tom Welsh of Agricultural Management Programs, LLC submitted a proposed contract to operate the Wolcott Mill Farm Center.

Moilanen said the proposed contract is very general and lacks many details necessary to determine the terms of agreement between the two parties and to evaluate its efficacy.

Moilanen said that as a publicly funded agency, typically, when the Metroparks considers contracting for services with a private individual or company, it initially goes through a competitive bidding or proposal process to provide fair and equitable treatment of all persons involved in public procurement with the Metroparks, as well as to assure the best product quality and value.

It was moved by Commissioner Lester, supported by Commissioner Hertel that the Board of Commissioners begin the process for the privatization of Wolcott Farm by directing staff to work with the Welsh family, other interested parties and members of the Board to develop a Request for Proposal (RFP) procedure for the approval of this Board in September.

Commissioner La Belle asked for a point of clarification and for the motion to be read again. The motion was read by Executive Secretary Phifer.

Commissioner McCulloch asked how long it would take to do an RFP? Director Moilanen replied three months.

Commissioner McCulloch said he felt a business plan was needed for the farm.

Commissioners' Lester and Hertel withdrew their motion.

It was moved by Commissioner McCulloch, supported by Commissioner Hertel to begin the process for developing a Business Plan for Wolcott Farm by directing staff to work with three members of the Board of Commissioners to develop a Business Plan and a Request for Proposal to be presented to the Board no later than 90 days.

Motion carried unanimously.

Commissioner McCulloch recommended Chairman Marrocco should choose the three board members at a later date.

7. Reports

B. Lake Erie

1. Bids – Concrete Repairs, Park Wide

It was moved by Commissioner Hertel, supported by Commissioner Lester that the Board of Commissioners approve the issuance of a Purchase Order to the lowest responsive, responsible bidder, V & O Contracting, Inc., in the amount of \$23,000.00 as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

7. Reports

C. Administrative Office

1. Report – 2012 Tax Levy's

Controller Wahl reported that the final 2011 Taxable Value figures used for the calculation of the Metroparks' 2012 tax revenues have been received from the county Treasurer's offices and it is necessary for the Board of Commissioners to certify the requested tax levy rate to each member county.

Wahl said the Metroparks' "taxable value" figure for the five counties for 2011 is \$141.247 billion, a decrease of \$10.292 billion (6.8 percent) from the 2010 level of \$151.539 billion. The Metroparks' tax base continues to be impacted by the negative factors affecting the real estate markets (residential, commercial and industrial).

Wahl said that in applying the 2011 taxable value figures to the Headlee Millage Reduction Factor calculation formula, with the permitted inflation rate multiplier of 1.017, the Metroparks will be permitted to again levy .2146 mills for 2012. This is the seventh consecutive year at the

same tax rate, with the Metroparks levying 86 percent of the original authorized millage of .2500 mills.

Wahl said that when applying the .2146 millage rate against the district's 2011 "taxable value" figures, anticipated "gross" tax revenues for 2012 will be \$30,311,637. The 2011 Budget anticipated net tax revenues of \$31,348,452. Therefore, the Metroparks anticipates a tax revenue decline of \$2,252,815 (7.2 percent) for the 2012 Budget.

Wahl said the \$29.1 million anticipated for 2012 means the Metroparks will be operating on the same amount of tax revenues as in 2003. The \$29.1 million net tax revenues anticipated for 2012 is also \$1.6 million higher than the estimated 2012 tax figure used in the revised Five Year Plan of \$27.5 million.

It was moved by Commissioner La Belle, supported by Commissioner Marans that the Board of Commissioners approve (1) the attached 2011 Tax Rate Request forms at .2146 mills and (2) the inclusion of "net" tax revenues of \$29,095,637 in the 2012 Budget as recommended by Controller Wahl and staff.

Motion carried unanimously.

Commissioner Hertel exited the meeting room at 11:48 a.m.

7. Reports

C. Administrative Office

2. Milford Township – General Motors Tax Assessment Defense Request

Controller Wahl reported Milford Township has requested HCMA to participate on a prorated basis with 12 other jurisdictions in the legal defense cost of defending their taxable value assessment on the General Motors Proving Grounds.

Wahl said this matter is currently before the state of Michigan-Tax Tribunal (MTT). Milford has the GM property assessed at a "true cash value" of approximately \$438,000,000, with a "taxable value" of \$141,309,000. GM's position is that the property's "true cash value" should be approximately \$83,000,000, with a "taxable value" of \$28,262,000.

Wahl said based on HCMA's millage rate of .2146 mills, GM's property generates approximately \$30,300 annually. A fully successful GM challenge would reduce HCMA's tax revenues to approximately \$6,100 annually, a \$24,200 annual reduction.

Wahl said currently, the property tax administration system places the valuation, appeal and collection process solely within the jurisdiction of the local governing body. To date, HCMA has not participated in the cost of defending any locally established assessments. Milford indicates that the six Milford related entities have agreed to participate. Milford is awaiting responses from the remaining entities.

Wahl said HCMA's defense cost participation with Milford could become precedent-setting with the many other jurisdictions that levy HCMA taxes. The outcome of this tax assessment dispute will not hinge on HCMA's participation.

It was moved by Commissioner Lester, supported by Commissioner Marans that the Board of Commissioners (1) receive and file the letter and Tax Tribunal Joint Defense Agreement from Milford Township and (2) decline to participate in legal defense costs.

Motion carried.

7. Reports

C. Administrative Office

3. Report – User Survey Report

Chief Planner Sue Nyquist reported that in order to meet the recreation needs for the residents of southeast Michigan, the Metroparks conducts surveys of a variety of types to gather public opinion. Public input is also a requirement for the Five Year Community Recreation Plan that

the Metroparks submits to the state of Michigan Department of Natural Resources in order to be eligible for grants.

Nyquist said the intent of staff to gather public input was to use the following methods: an online survey, public presentations and face-to-face contact.

Commissioner Marans commented that he would like to meet staff before the survey goes out.

It was moved by Commissioner McCarthy, supported by Commissioner Marans that the Board of Commissioners receive and file this report as recommended by Chief Planner Nyquist and staff.

Motion carried.

7. Reports

C. Administrative Office

4. Donations

It was moved by Commissioner Marans, supported by Commissioner Marans that the following donations be accepted and a letter of appreciation sent to the donors as recommended by Deputy Director Almas and staff.

- A \$10,000 donation made by Wilson Born for painting the barns at Wolcott Mill Farm Center.
- A \$10,000 donation made by PVS Chemicals (James Nicholson) for painting the barns at Wolcott Mill Farm Center.
- A \$2,000 donation made by Discraft, Inc. for use at the disc Golf Course at Kensington Metropark.
- A \$1,200 donation made by AT&T Pioneers Michigan Chapter to help rebuild the Camp Rotary "Mini-Mac" bridge at Wolcott Mill Metropark.
- A \$995.40 donation made by Pete Holden for printing Disc Golf scorecards for use at Kensington Metropark.
- A \$475 donation made by Julie Swanson for a bench to be used at Hudson Mills Metropark.
- A \$400 donation made by David Benham for a bench and plaque to be used at Kensington Metropark.

Motion carried.

Commissioner Hertel reentered the meeting room at 11:52 a.m.

5. Legislative Report

Legislative Consultant Carr reported that the Michigan Legislature is in the middle of the summer recess and scheduled to return for only one day in August. While general sessions are in recess, there is considerable action behind the scene. Most discussions and negotiations are being conducted through work groups and private meetings. The following topics are of interest or impact for HCMA:

- *Property Law* – There is an ongoing effort in the House to discuss the definition of "gross negligence." The term resides in more than 60 state statutes and is generally undefined except by case law. The net impact of such an effort would be two fold. First, it would encourage additional tort liability to define the term through case law. Second, it would increase the frequency and scope of tort cases applicable to a wide range of parties, including HCMA. This is an outgrowth of a national effort to increase the duty of land owners to maintain property and warn trespassers entering their property. This also encompasses minors and attractive nuisance features on private and public lands.
- *Personal Property Tax* – Following Gov. Snyder's successful business tax restructuring package, there was a commitment by the executive office to address personal property tax reform. This initiative is led by Lt. Gov. Calley and Sen. Mike Nofs (R-19). Sen. Nofs has introduced SB 34 that would repeal all personal property tax in Michigan with no replacement revenue options.

Carr said he is working with Sen. Nofs and his staff to identify the unique situation of the Metroparks and potential solutions should the legislation move. Carr said nearly every school district and local unit of government will be impacted by any repeal or change.

It was moved by Commissioner Hertel, supported by Commissioner La Belle that the Board of Commissioners receive and file the legislative report as submitted by Legislative Consultant Carr.

Motion carried unanimously.

8. Presentation – Dr. John Hartig, Detroit River International Wildlife Refuge

Dr. John Hartig reported that The Refuge was established in 2001 as the first international wildlife refuge in North America; is located along the lower Detroit River and western shores of Lake Erie along 48 miles of shoreline; started with just several hundred acres and now has more than 6,000 acres.

Hartig said the U.S. Fish and Wildlife Service has developed a 15-year management plan for the Refuge that focuses on cooperative management where the Refuge would grow primarily through management agreements with industries, government agencies, and other organizations. A portion of Lake Erie Metropark falls within the Refuge boundaries and there is a cooperative environmental management agreement between our two organizations which we find very beneficial.

It was moved by Commissioner McCulloch, supported by Commissioner Marans that the Board of Commissioners receive and file the report given by Dr. Hartig as recommended by Director Moilanen and staff.

Motion carried unanimously.

9. Director's Comments

Director Moilanen commented that the annual surplus auction would be held Oct. 1; that the Metroparks held an Intra-Park District Forum in the Southern District and that Commissioner Lester attended the forum and spoke to staff. Moilanen said the forum was well received and staff appreciated having one of the commissioners come and speak with them.

Dave Juchartz gave a presentation providing an overview of golf course flooding at Willow and restoration efforts by golf course staff.

10. Commissioner Comments

Commissioners Hertel, Lester, McCulloch and Marans welcomed new Commissioner Tim McCarthy to the Board.

Commissioner McCulloch asked if the Willow Golf Course was playable. Director Moilanen replied that most of it was.

11. Motion to Adjourn

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

Motion carried unanimously.

The meeting adjourned at 12:22 p.m.

Respectfully submitted,



George Phifer
Executive Secretary