

**MINUTES
BOARD OF COMMISSIONERS MEETING
HURON-CLINTON METROPOLITAN AUTHORITY
THURSDAY, AUGUST 9, 2012**

The regular meeting of the Huron-Clinton Metropolitan Authority's Board of Commissioners was held at 10:30 a.m. on Thursday, August 9, 2012 at the Nature Center at Stony Creek 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:	Anthony V. Marrocco John E. La Belle John C. Hertel John P. McCulloch Robert W. Marans (entered meeting room at 10:42am) Timothy J. McCarthy
	Staff Officers:	
	Director	Vacant
	Deputy Director	Gregory J. Almas
	Controller	David L. Wahl
	Executive Secretary	George Phifer
Absent:	Commissioners	Harry E. Lester
Others:	Legislative Consultant	George Carr
	Legal Counsel	Michael McGee
	Consultant	Tom Eaton

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

1. Chairman's Statement

Chairman Marrocco said Commissioner Lester was on his way. Marrocco also said this would be the last official meeting for Purchasing Manager Scott Michael (41 years of service) and Controller Dave Wahl (39 years of service).

2. Public Comments

Nick Serra, HCMA volunteer, said that he has been a volunteer at Wolcott Mill for nine years and asked if anyone on the Board has been to Wolcott. Serra said he works with a golf league and that they asked him to come and speak to the Board. Serra said with the economy starting to rebound, there should be some assistance from the Board in order to help get information out about the course. Serra asked the Board to give golf course staffers time to make things work before making a decision about the golf course.

George Wong, local resident, said he has been golfing at Wolcott Mill since 1988. The course is good and he would hate to lose it.

William Pullard, local resident, said he has been playing golf for 60 years and that there have been many changes in his lifetime. Pullard said he and his wife appreciate everything that has been done at Wolcott Mill Golf Course.

Marvin Baile, local resident, said he has been golfing at Wolcott Mill since 1989 and he believes that more advertising would help with marketing the golf course.

Jack Laperriere, local resident, said the Michigan economy is starting to turn around and there is potential growth in the area; that more residents are moving to the area. Laperriere said the course is maintained at a high level and there should be more advertising for Wolcott, and now is not the time to make hasty decisions.

Frank Campbell, seasonal employee at Stony Creek Metropark, said he has golfed at Wolcott since 1989; that it is a diamond in the rough and that Wolcott just needs a little help. Campbell said everyone should be looking at why there are changes in the prices four times a day. Campbell also said it would be a shame if this golf course was turned over to a private company.

3. Minutes – June 2012

It was moved by Commissioner McCarthy, supported by Commissioner La Belle that the Board of Commissioners approve the July 12, 2012 regular and closed meeting minutes, the July 16 special meeting minutes, and the July 30 special meeting minutes as submitted by Executive Secretary Phifer and staff.

Commissioner Marans asked the July 12 regular meeting minutes be changed to reflect a scrivener error and that survey be changed to report in item 10-F-3: Report – Recreation Needs Survey.

Motion carried unanimously.

4. Approval of August 9, 2012 Agenda

It was moved by Commissioner Marans, supported by Commissioner McCulloch that the agenda for the August 9, 2012 Board of Commissioner meeting be approved as submitted.

Motion carried unanimously.

5. Financial Statements – July 2012

It was moved by Commissioner La Belle, supported by Commissioner Hertel that the Board of Commissioners approve the July 2012 financial statements as submitted.

Motion carried unanimously.

6. Vouchers – June 2012

It was moved by Commissioner Marans, supported by Commissioner La Belle that the vouchers for July (0224101 through 0224553) be approved as submitted.

Motion carried unanimously.

7. Purchases

Purchasing Manager Scott Michael requested the Board approve the following purchase:

A. 2013 Annual Permits – All locations

- Award ITB-12-022 to the low responsive, responsible bidder, Rydin Decal in the amount of \$15,308.00 as recommended by Buyer Maria van Rooijen and staff.

B. Radios – Police Department

- Award Contract No. RFP 071 1300238 to the low responsive, responsible bidder, Motorola Solutions, Inc. in the amount of \$49,508.04 as recommended by Buyer Maria van Rooijen and staff.

C. Truck Body and Components – Stony Creek

- Award ITB 12-024 to the low responsive, responsible bidder, Truck and Trailer Specialties, Inc. in the amount of \$64,384.00 as recommended by Purchasing Manager Scott Michael and staff.

It was moved by Commissioner La Belle, supported by Commissioner Hertel that the Board of Commissioners approve the purchases as recommended by Purchasing Manager Scott Michael and staff.

Motion carried unanimously.

8. Reports

A. Stony Creek

1. Bids – Gladeview South Parking Lot Reconstruction

Supervising Design Engineer Laura Martin reported that after previous bids came in over the budgeted amount, all bids were rejected by the Board at its July 12, 2012 meeting. Staff

revised the project scope while keeping the overall intent of the project to reconstruct the badly deteriorated pavement of the parking lot. Bids received from the re-bidding process came in over the budget amount. Bids were over the budget amount due to additional grading needed for accessible parking and walk, as well as additional soil erosion requirements.

It was moved by Commissioner Hertel, supported by Commissioner Marans that the Board of Commissioners award Contract No. 509-11GR to the lowest responsive, responsible bidder, James P. Contracting, Inc., in the amount of \$108,638.80 as recommended by Supervising Design Engineer Martin and staff.

Motion carried unanimously.

8. Reports

A. Stony Creek

2. Proposal – Seismic Contract for Oil and Gas Exploration

Supervising Design Engineer Martin reported the Authority received a proposal dated July 31, 2012 from Jordan Development Company, LLC of Traverse City, to perform a seismic survey, as an initial step toward exploring oil and gas development potential in Stony Creek Metropark.

Martin said in order to undertake the seismic survey, a Seismic Contract is necessary to address the terms of access onto Authority land; and that this contract is similar to the seismic contract with Jordan Development Co. approved by the Board at its Sept.8, 2011 meeting. As in the past, a nominal fee of \$1,000 per mile of seismic line tested is proposed.

Martin said the proposed Seismic Contract includes a grant of an exclusive option to Jordan to enter into an oil and gas lease with the Authority in the event Jordan determines there may be potential for oil and gas production pursue development. The period during which the option may be exercised is 15 months.

Martin said the Authority has authorized seismic testing on Metropark lands numerous times in the past, including in Stony Creek, Indian Springs and Kensington Metroparks.

Further Board discussion was held.

It was moved by Commissioner La Belle, supported by Commissioner McCarthy that the Board of Commissioners approve the Seismic Contract and charge a fee of \$1,000 per mile of seismic line tested as recommended by Laura Martin, Supervising Design Engineer and staff.

Motion carried unanimously.

8. Reports

B. Hudson Mills

1. Report – Update on Hudson Mills to Dexter Trail

Supervising Engineer Martin reported that design of the Hudson Mills – Dexter non-motorized trail has been completed. Martin said the Hudson Mills – Dexter Trail will be approximately three (3) miles in length and will extend from the southern end of the Authority's existing West Side Trail to the northern end of the village of Dexter's Warrior Park trail; and that the Hudson Mills – Dexter Trail represents a partnership between multiple agencies.

Martin said the Authority will serve as project manager, designer and contract administrator in cooperation with and under the general direction of the Washtenaw County Road Commission (WCRC).

Martin said the Authority and MDOT have agreed to a tentative schedule for construction bidding and contract award. Bid documents must be finalized by Sept. 7, 2012; the only outstanding items are the MDEQ permit and the MDNR Natural Rivers permit (which will be issued immediately after issuance of the MDEQ permit). Based on that, a bid date of Nov. 2, 2012 and a contract award date of Dec. 4, 2012 are planned. Construction could start in early 2013, weather permitting.

Martin said MDOT and the Authority must have construction documents finalized and the bidding schedule set no later than Sept. 7, 2012 in order for MDOT to encumber the STPU funds by the end of the federal fiscal year.

Martin said if the confirmed low bid is below the engineer's construction cost estimate, or less than 10 percent over the engineer's estimate, the local agency is committed to accepting the bid and proceeding with construction. Martin also said, if the low bid exceeds the engineer's estimate by more than 10 percent, the Authority (through the local agency, WCRC) has the option to either accept or reject bids.

Further Board discussion was held.

It was moved by Commissioner Marans, supported by Commissioner La Belle that the Board of Commissioners receive and file the Update on Hudson Mills to Dexter Trail Report as recommended by Laura Martin, Supervising Design Engineer and staff.

Motion carried unanimously.

8. Reports

C. Lower Huron

1. Bids – Turtle Cove Access Walks and Shade Structure

Supervising Engineer Martin reported that the project will improve the popular reserved picnic areas and construct a new reservation event tent at the Turtle Cove Family Aquatic Center. The work will include construction of concrete access walks, concrete picnic pads, concrete event area, installation of shade structure, relocation of split rail fence and barbeque grills, irrigation system modifications, seeding and other incidental construction.

Martin said bids received for the project were significantly over budget, due to the project scope having been increased over the scope as originally estimated. In addition, the construction of the rental event tent was originally estimated to be installed by park forces.

Martin said after review of the project scope and bids received, staff believes that with a substitution of some materials, and deferring work that can be completed at a later date by park forces that an award can be made to satisfy the purpose of the project.

Further Board discussion was held.

Commissioner Marrocco said he would rather not bid on this item.

It was moved by Commissioner Marans, supported by Commissioner La Belle that the Board of Commissioners postpone this item and direct staff to analyze the impact of installing a permanent structure.

Motion carried unanimously.

D. Administrative Office

1. Approval – Five-Year-Plan, 2013 - 2017

Controller Wahl reported that staff was bringing back the Five-Year-Plan that was tabled at the June meeting and that the recommended June 1, 2012 updated Five-Year Plan incorporates the following changes: (1) Board recommended toll fee increases in 2014 and 2016. By accelerating the timing and amount of the toll fee increases, it created a favorable impact on the Authority's projected Reserve account. (2) The estimated impact of the pending Personal Property Tax reform starting in 2014. (3) Increase in tax refunds due to U.S. Steel in 2012 and future years. (4) Attrition of 13 of the 15 full-time employees who elected the "special" Early Retirement window. Plus attrition of one employee who resigned. These employees were not replaced in accordance with the March 2011 Board approved Park Reorganization Plan. (5) Estimated attrition of another 21 full-time employees from "regular" 2012 to 2017 retirements not replaced. (6) Small reduction in funding for major maintenance – 2012 to 2017. (7) Inclusion of \$500,000 relating to a grant application for Phase II of the Lake St. Clair Parking Lot reconstruction.

Wahl said key assumptions included in the June 1, 2012 recommended Five-Year-Plan that were unchanged include: (1) No wage increases projected for full and part-time employees. (2) Back filling full-time positions with greater utilization of part-time employees. (3) Potential privatization of Wolcott Mill Golf Course in 2013. (4) Allowances have been made for estimated cost increases of (a) 5 percent annually for pension and retiree health care contributions, utilities, repairs/maintenance of equipment and facilities, (b) 7 percent annually for gas fueling costs, (c) 8 percent annually for health care costs and (d) 3 percent annually for all other materials/supplies/outside services. (5) Capital improvement funding is based on staff's recommended schedule of projects continuing the Authority's efforts to address redevelopment/renovation/reconstruction (3R) type projects. Fifty-five (55) projects at a cost of \$14.9 million (82 percent) are related to 3R type projects out of 107 projects at a cost of \$18,315,000. (6) Equipment replacements are projected at roughly \$1.5 million per year, reflecting an extension of equipment replacement cycles. (7) No additional funds have been allocated to land acquisition. (8) Continuance of the Authority's new marketing efforts.

Wahl said staff feels this recommended Five-Year-Plan addresses some of the operational structural changes the Board requested. It also implements the Authority's Park Reorganization Plan. With the potential loss of an estimated 35 full-time employees over the next six years, maintaining the service levels and standards of maintenance in park operations will be a significant challenge. Staff is currently working through the transitional challenges of losing 15 employees through the "special" early retirement window and preparing for the loss of another 13 employees expected to retire prior to year end.

Wahl said staff has made every effort to provide realistic revenue and expenditure forecasts based on historical trends and assumptions as we currently know them and to anticipate the timing of projects in a logical progression. Staff feels these financial projections represent a balanced plan which addresses: (1) A restructuring of Authority's staff and operations; (2) Ongoing infrastructure renovation; (3) Future equipment needs, and; (4) Maintenance of an adequate Reserve account.

Further Board discussion was held.

Commissioner McCulloch said he had three issues: (1) Acceptable levels of Reserves; (2) Assumptions on the revenue increases; and (3) Potential impact this plan will have on the Pension.

It was moved by Commissioner McCulloch, supported by Commissioner Hertel that the Board of Commissioners postpone the Five-Year-Plan approval to a date to be determined.

Motion carried unanimously.

Commissioner Marrocco said the Board can plan on discussing this item at a special meeting.

8. Reports

D. Administrative Office

2. Report – MI Department of Treasury Economic Vitality Incentive Grant Program

Supervising Design Engineer Martin reported that staff has been investigating the implementation of a comprehensive facilities asset management program in recent years. An asset management program would: improve our ability to preserve our physical and natural resource assets; optimize facility life cycle cost; improve the inventorying and tracking of physical assets; improve cost accounting, recording and accessing of data; aid in assessing asset condition; identifying deficiencies, needs, and associated cost; and initiating corrective action; Improve the forecasting, prioritizing and scheduling of needed tasks; Improve capital planning; and provide a framework for managing assets and improving performance in the long term.

Martin said a geographic information system (GIS) -based asset management program links asset data (typically through an integrated database program) with a GIS program. Martin said Asset management software and GIS programs are available (e.g. Azteca's Cityworks and ESRI's ArcGIS respectively) to support an integrated, GIS-centric asset management program.

Martin said that currently, HCMA does not have an integrated asset management program. Initial efforts have been made among specific, priority asset types (roofs, pavements, pool facilities, USTs/ASTs, dams, etc.) to address predictive maintenance and recordkeeping more systematically.

Martin said staff recently discussed a possible collaboration with Oakland County Water Resources staff and Oakland County Parks staff in which HCMA would share the use of Oakland County's Collaborative Asset Management System (CAMS). Oakland County uses the widely-accepted Cityworks software platform, and it has developed partnerships with other agencies within Oakland County to share in the use of this program.

Martin said staff believes that a partnership between Oakland County and the Authority will result in significant savings in the implementation of an asset management platform. The partnership provides the potential for HCMA, through Oakland County, to receive funding for initial data collection and inputting, funding which would not be available at this time without the EVIP grant. Moreover, it will provide HCMA with the opportunity to begin implementation of a comprehensive asset management system.

Further Board discussion was held.

It was moved by Commissioner McCulloch, supported by Commissioner Marans that the Board of Commissioners receive and file the report titled MI Department of Treasury Economic Vitality Incentive Grant as recommended by Supervising Design Engineer Laura Martin and staff.

Motion carried unanimously.

8. Reports

D. Administrative Office

3. Report – 2012/2013 Tax Levy Report

Controller Wahl reported that final 2012 Taxable Value figures used for the calculation of the Metroparks' 2013 tax revenues have been received from the County Treasurer's offices and that it is necessary for the Board to certify the requested tax levy rate to each member county.

Wahl said the calculation of the Metroparks' tax levy millage rate is controlled by the "Headlee" Millage Reduction Formula. Wahl said the Metroparks' "taxable value" figure for the five counties for 2012 is \$135.572 billion, a decrease of \$5.798 billion (4.1 percent) from the 2011 level of \$141.370 billion.

Wahl said that in applying the 2012 taxable value figures to the Headlee Millage Reduction Factor calculation formula, with the permitted inflation rate multiplier of 1.027, the Metroparks will be permitted to again levy .2146 mills for 2013. This is the eighth consecutive year at the same tax rate, with the Metroparks levying 86 percent of the original authorized millage of .2500 mills.

Wahl said as done for the last five years, it is recommended that the Metroparks estimate the amount of "captured" tax revenues and potential tax refunds and adjust the anticipated gross tax revenues down at the start of the budget year.

Wahl said the Metroparks have received confirmation of the calculations of the 2012 tax millage rate and revenues from the State Department of Treasury, Assessment and Certification Division. It is necessary for the Board to certify the 2012 tax levy rate to each county.

It was moved by Commissioner McCarthy, supported by Commissioner Hertel that the Board of Commissioners approve (1) the attached 2012 Tax Rate Request forms at .2146 mills and (2) the inclusion of "net" tax revenues of \$27,913,937 in the 2013 Budget as recommended by Controller Wahl and staff.

Motion carried unanimously.

8. Reports

D. Administrative Office

4. Donations

Deputy Director Almas requested the Board accept the July donations:

- CBS Radio Detroit provided on-air time, live broadcasts, Facebook/Twitter/e-blasts, website exposure and production of the Blues, Brews & BBQ event held at Lake St. Clair Metropark on June 23; itemizing expenses of \$115,500 as an in-kind promotional value.
- Mike Muha for Team Nordic Ski Racer made a \$1,125.59 cash donation from the Frosty Freestyle Race at Huron Meadows to be used for grooming efforts of the cross country trails.
- Joan Hines made a \$900 cash donation to purchase three white pine trees to be planted at Lake St. Clair Metropark.
- Stewart White with the Washtenaw Ski Touring Club made a \$500 cash donation to be used for grooming efforts of the cross country ski trails at Huron Meadows Metropark.
- Reneé Myers made a \$350 cash donation to purchase a tree to be planted at Kensington Metropark in memory of John Gauss.
- Robert Teschendorf made a \$350 cash donation to purchase a tree to be planted at Lake St. Clair Metropark.
- Lynn Zurawski and the Education Friends of the Kowalske Family made a \$300 cash donation to purchase a bench to be placed near the Disc Golf Course at Kensington Metropark in memory of Kevin Kowalske.
- Michelle Mullett made a \$300 cash donation for a park bench to be used at Kensington Metropark in memory of Becky Young.
- William Wiegand made a \$300 cash donation for a bench to be used at the Kensington Metropark Golf Course in memory of a fellow golfer.
- Debbie Moser donated various items to be used for programming at the Wolcott Mill Farm Center; itemizing a value of \$440.
- Andre Allen donated various mounted animals including a Beaver, Whitetail Fawn, Mallard, Pheasants, various birds, Black Bear and Buffalo heads to be displayed at the Educational Discovery Center at Indian Springs Metropark.

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

Motion carried unanimously.

5. Legislative Report

Legislative Consultant George Carr reported that the governor signed the Trust Fund Project Appropriation HB 5364; and that the governor is holding off signing any additional bills until there is a comprehensive land audit. Carr also said the governor is working on tweaking Public Act 72 to address concerns related to the Emergency Manager Act. Carr said legislators were also looking at potential changes to the Health Care Reform Act. Carr also introduced his assistant Lisa Farnum.

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

Motion carried unanimously.

9. Controller Selection Process

It was moved by Commissioner McCarthy, supported by Commissioner Hertel that the Board of Commissioners authorize Greg Almas to be a signer on all Authority bank accounts.

Motion carried unanimously.

It was moved by Commissioner Marans, supported by Commissioner La Belle that the Board of Commissioners appoint Rebecca Franchock as acting Controller effective Sept. 1, 2012.

ROLL CALL VOTE

Voting Yes: Commissioners Marrocco, Marans, La Belle
Voting No: Commissioners Hertel, McCulloch, McCarthy
Absent: Commissioner Lester

Motion failed.

It was moved by Commissioner McCulloch, supported by Commissioner Hertel that the Board of Commissioners postpone the selection of a new Controller until the September regular meeting.

Motion carried unanimously.

10. Director Selection Process

Discussion was held on the issue.

It was moved by Commissioner McCarthy, supported by Commissioner La Belle that the Board of Commissioners approve the job description for the position of Director as recommended by Human Resources Manager Carol Stone and staff.

Motion carried unanimously.

It was moved by Commissioner McCarthy, supported by Commissioner Hertel that the Authority retain Plante & Moran under the same terms and conditions as listed in the previous Engagement Letter to assist the Authority with selecting a pool of applicants for the position of Director; and that Commissioners Hertel and Marans serve as observers to the selection process.

Motion carried unanimously.

Chairman Marrocco called for a five minute recess.

11. Closed Session

It was moved by Commissioner Hertel, supported by Commissioner Marans that the Board of Commissioners immediately adjourn to a closed session for a strategy and negotiation session connected with the negotiation of a collective bargaining agreement. – [Section 8\(c\) of the Michigan Open Meetings Act, M.C.L. 15.268 \(c\)](#)

ROLL CALL VOTE

Voting Yes: Commissioners Marrocco, La Belle, McCulloch, Marans, McCarthy, Hertel
Voting No: None
Absent: Commissioner Lester

Motion carried unanimously.

The regular meeting adjourned at 12:13 p.m.

In closed session, it was moved by Commissioner Hertel, supported by Commissioner McCulloch that the Board of Commissioners adjourn the closed session and immediately reconvene the regular meeting.

The regular meeting reconvened at 12:32 p.m.

It was moved by Commissioner McCulloch, supported by Commissioner Marans that the Board of Commissioners authorize the Huron-Clinton Metropolitan Authority Bargaining Committee to proceed with collective bargaining with the HCMA Employees Association and the Police Officers Association of Michigan (POAM) within the parameters as directed in closed session.

Motion carried unanimously.

12. Deputy Director’s Comments

Deputy Director Almas said there would be a dedication for the new playground at Eastwood Beach immediately following the Board meeting.

Almas also said a ceremony would be held at the golf course at Stony Creek acknowledging one of the Authority's former directors, Gary Bartsch; and that all were welcome to attend.

Almas congratulated Scott Michael and Dave Wahl for their years of service to the Authority and the citizens of southeastern Michigan.

Purchasing Manager Scott Michael said he wanted to thank the Board for their support and staff for helping him over the years.

Deputy Director Almas read into the record the Resolution honoring the service of Controller David L. Wahl.

Controller Wahl said the Authority took a chance on appointing him as Controller back in 1976; and that he has attended more than 450 meetings. Wahl said it has been a pleasure to work for this organization. The Metroparks offers a diverse set of recreational offerings to the citizens of southeast Michigan. Wahl said once he retires, he will be proud to say he's a Metroparks retiree.

13. Commissioner Comments

Commissioner McCulloch said he would like staff to take a picture of Controller Wahl and the Chairman holding the resolution.

McCulloch also said he would like the Authority's legal counsel, Michael McGee, to present an overview to the full Board regarding the Michigan Open Meetings Act.

McCulloch also said he would like Human Resources Manager Carol Stone to send out a sample of the evaluation form that she put together to the full Board for their review and feedback.

Commissioners Marans wished Dave Wahl a very successful retirement.

Commissioner Hertel thanked Dave Wahl and Scott Michael for their years of service.

Commissioner La Belle also thanked Dave Wahl and Scott Michael for their years of service.

14. Motion to Adjourn

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

Motion carried unanimously.

The meeting adjourned at 12:51 p.m.

Respectfully submitted,



George Phifer
Executive Secretary