

AGENDA
Huron-Clinton Metropolitan Authority
Board of Commission Meeting
October 3, 2013 – 10:30 a.m.
Hudson Mills Metropark – Activity Center

1. Chairman's Statement
2. Public Participation
3. Minutes – Sept. 12, 2013 Regular and Board Retreat
4. Approval of Oct. 3, 2013 Agenda

Consent Agenda

5. Approval of Oct. 3, 2013 Consent Agenda

- a. 2013 Pension Contribution (pg. 1)
(Rebecca Franchock, 810-494-6047)
- b. 2013 Retiree Health Care Trust Contribution (pg. 5)
(Rebecca Franchock, 810-494-6047)
- c. Purchases (Maria van Rooijen, 810-494-6049)
 1. Metropark Brochures, All Locations (pg. 7)
- d. Proposal for Dam Safety Management (pg. 9)
(Mike Brahm-Henkel, 810-494-6057)
- e. Intergovernmental Maintenance Agreements, Lake St. Clair and Stony Creek Metroparks (John McCulloch, 810-494-6001) (pg. 23)
 1. Metro Parkway Maintenance Agreement, Macomb County Dept. of Roads
 2. Pathway Maintenance Agreement, Harrison Township
 3. Pathway Maintenance Agreement, Clinton Township
 4. 26 Mile Road Maintenance Agreement, Macomb County Dept. of Roads
- f. Donations (pg. 33)
(John McCulloch, 810-494-6001)

Regular Agenda

6. Legislative Report (pg. 35)
(George Carr)
7. Update – Park Superintendents
8. 2014 Preliminary Budget Projections (pg. 37)
(Rebecca Franchock, 810-494-6047)

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Page Two

9. Reports
 - A. *Wolcott Mill Metropark*
 1. Update – Operations and Development Plan (pg. 63)
(Sue Nyquist, 810-494-6025)
 - B. *Administrative Office*
 1. Resolution – SAW Grants (pg. 71)
(Mike Brahm-Henkel, 810-494-6057)
 2. ROI Golf Consultant Final Report (pg. 103)
(John McCulloch, 810-494-6001 / Sue Nyquist, 810-494-6025)
10. Director's Report
11. Other Business
12. Commissioners' Comments
13. Motion to Adjourn

A Pension Committee meeting will take place prior to the Oct. 3 Board meeting at **8:30 a.m.** at the **Hudson Mills Metropark Activity Center** with a Retiree Health Care Trust meeting immediately following.

A special Board retreat will take place following the Oct. 3 Board meeting at the **Hudson Mills Metropark Activity Center**.

The next regular Board of Commissioners meeting will be held Thursday, Nov. 14, 2013 at **10:30 a.m.** at the **Administrative Office**.



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
 From: Rebecca L. Franchock, Chief Accountant
 Subject: 2013 Pension Fund Contribution
 Date: September 27, 2013

Action Requested: Motion to (1) transfer \$3,029,289 to the to fund the Pension Plan as recommended by Gabriel, Roeder, Smith & Company; and (2) \$370,000 supplemental appropriation from the Fund Balance-Committed for Pension Contribution account as recommended by Interim Trustee Franchock.

Background: The 2013 actuarial valuation of the Huron-Clinton Metropolitan Authority's Pension Plan has been prepared by Gabriel, Roeder, Smith & Company. Mr. Mark Buis of GRS will be on hand to review the report with the Pension Committee at their 10/3/2013 meeting prior to the Board meeting.

The actuarial valuation process calculates the required contribution to adequately fund our pension costs under the entry age actuarial cost method. The current assumptions that were approved by the Pension Committee at the June 2011 meeting were utilized in conducting the actuarial valuation. This calculation is based on updated employee census data (wage/service levels) for our 172 participants for the Plan Year 10/1/2013 to 9/30/2014. The recommended contribution is \$3,029,289 – an increase of \$449,635 (17.4 percent) from 2012's contribution of \$2,579,654. In total, the recommended contribution is 27.1 percent of base wages of \$11.2 million. The Pension Committee approved closure of the Defined Benefit retirement plan is the primary factor in the increase. The contribution amount includes reimbursement of seasonal pension benefits paid out from the 2012 season of \$28,300.

The actuary looks at how the Plan's actual experience compares to the assumed experience used in calculating the unfunded accrued liability. If actual experience exceeds assumed experience, the Plan incurs a gain. Conversely, if actual experience is below assumed experience, the Plan incurs a loss. For the Plan year ending 9/30/2013, the five-year smoothed investment return on Plan assets was once again less than the assumed return of 7.25 percent. This resulted in an asset loss of \$474,813. However, there was a gain in liability resulting in a "net" experience gain of \$189,620.

The valuation process also looks at the financial soundness of the Plan. The report shows that all past (earned) and future (to be earned) projected benefits for active, retired and terminated vested benefits totaling \$66.3 million. This compares to the actuarial calculated value of Plan assets of \$45.5 million. The Plan has a funded status of 68.1 percent (2012 = 67.9 percent) with an unfunded actuarial accrued liability of \$20.8 million. The funded status of the Plan has remained virtually flat. This unfunded liability is being amortized over a 28-year period using the level dollar amortization method. It should be noted that the present value of accrued benefits total \$57.9 million.

The 2013 budget contains \$2,660,000 for the 2013 Pension contribution. Therefore, a supplemental appropriation of \$380,000 from the Authority's Reserve for Future Contingencies Account (as detailed on the attached summary) is necessary.

Fund Transfer for Pension Contribution

<u>Account</u>	<u>Amount</u>
187676904	14,500
130001900	33,800
180265908	1,300
180271908	6,100
180273908	6,100
180274908	(12,700)
180280908	27,300
180288908	12,500
180295908	2,500
180453908	1,300
180465908	2,500
180471908	8,500
180472908	2,500
180473908	(54,700)
180474908	9,700
180475908	3,700
180476908	1,300
180480908	9,700
180485908	1,300
180486908	1,300
180488908	22,500
180491908	8,500
180492908	(11,500)
180495908	6,900
180653908	3,700
180671908	4,900
180673908	16,100
180674908	3,700
180680908	6,100
180695908	2,500
180865908	2,500
180871908	7,300
180873908	23,700
180875908	2,500
180880908	23,700
180888908	2,500
180895908	2,500
180965908	2,500
180971908	7,300
180973908	(24,300)
180974908	9,700
180975908	2,500
180980908	10,900
180988908	(2,700)
180995908	2,500
181065908	2,500
181071908	3,700
181072908	1,300

181073908	(12,700)
181074908	3,700
181080908	7,300
181088908	13,700
181095908	2,500
181253908	2,500
181265908	2,500
181271908	8,500
181273908	900
181274908	2,500
181280908	8,500
181288908	(3,900)
181295908	2,500
181371908	1,300
181380908	2,500
181388908	2,500
181391908	4,900
181565908	2,500
181571908	2,500
181573908	2,500
181575908	1,300
181580908	3,700
181590908	22,500
181595908	2,500
181665908	2,500
181671908	1,300
181680908	2,500
181695908	2,500
1900100908	(9,100)
1900110908	(5,500)
1900120908	21,300
1900130908	7,300
1900140908	7,300
1900150908	21,300
190073908	18,900
Fund Balance Reserve - Committed Pension Contribution	(380,000)



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
From: Rebecca L. Franchock, Chief Accountant
Subject: 2013 Retiree Health Care Trust Contribution
Date: September 27, 2013

Action Requested: Motion to approve transfer of \$2,500,000 to the Retiree Health Care Trust Fund to meet the Authority's ARC, effective October 2013. The investment of this contribution in October is expected to be determined in conjunction with the development of an asset allocation by SEI during the October 3 meeting.

The Governmental Accounting Standards Board (GASB) Statement #45 requires that an actuarial valuation be done at least every other year for OPEB's. OPEB's are post employment benefits the Authority provides retirees other than pensions, i.e., health, dental, vision, prescription drugs and life insurance. As the last valuation was completed in 2011, Gabriel, Roeder, Smith & Company (GRS), have been contracted with to perform the actuarial valuation of Authority OPEB's.

GRS has prepared the attached valuation report, which calculates benefit values, liabilities and required contribution amounts to fund OPEB plans currently provided by the Authority. Mr. Mark Buis (GRS) will review this report at the 10/3/2013 Board of Trustees meeting prior to this meeting.

Based on 10/1/2013 participant data and current benefit levels, GRS has calculated the Authority's total actuarial accrued liability of OPEB's at \$31,585,955. The Authority has Plan assets of \$19,443,143 in the Health Care Trust Fund. This translates into an "unfunded accrued liability" of \$12,142,812 for OPEB's for both current retirees/spouses (160) and active employees (172). With this contribution the Trust's funded ratio will improve to 61.6 percent.

To amortize the \$12,142,812 unfunded accrued liability over a 30-year period under the "level dollar amortization" method for HCMA's "closed" group would require a contribution in 2013 of \$1,432,112 (ARC).

It should be noted that the ARC for 2013 is \$1 million less than the ARC for 2012 determined at the last valuation from October of 2011. The primary factors driving this reduction are (1) full recognition of the change in retiree health benefits implemented in July 2010 (Medicare Advantage vs. PPO), and (2) the favorable plan investment results for the last two years. Currently, a total of \$2,500,000 is available in the Metroparks 2013 Budget to fund the ARC.

While unexpected, this result gives the Metroparks the opportunity to contribute more than the required ARC. Contributing additional funds at this time would have the advantage of putting those funds to work within the plan at a more effective rate and ultimately reducing future contributions. It would also bring the Trust's funded ration to 64.7 percent.



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
 From: Maria van Rooijen, Purchasing Agent
 Project No: ITB-13-030
 Project Title: Park Brochures
 Location: All Parks
 Date: September 27, 2013

Bids Opened: Tuesday, September 20, 2013 at 2:00 p.m.

Action Requested: Motion to Approve ITB No.13-030A to the low responsive, responsible bidder, Accuform Printing & Graphics in the amount of \$32,245.30 for printing 2014 Park Brochures recommended by Purchasing Agent Maria van Rooijen and staff.

Fiscal Impact: Budgeted project cost under budget.

Scope of Work: Print, furnish and deliver 2014 Park Brochures (635,000 total) in accordance with bid specifications and delivery schedule.

<u>Vendor</u>	<u>Location</u>	<u>Price</u>
Accuform Printing & Graphics	Detroit	\$32,245.30
Printwell (Alternate)	Taylor	\$40,335.20
Printwell	Taylor	\$49,530.00
Dearborn Lithograph, Inc.	Livonia	\$50,763.00
ImageX	Pleasanton, CA	\$60,590.00
Pride Enterprises	Brandon, FL	\$69,181.00

INVITATION FOR BIDS WAS POSTED ON MICHIGAN INTER GOVERNMENTAL WEBSITE AND WAS SENT TO 98 REGISTERED SUPPLIERS.



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
 From: Mike Brahm-Henkel, Manager of Assets and Development
 Project Title: Dam Safety Signage Evaluation
 Project Type: Proposal for Professional Services
 Location: Stony Creek, Kensington, Willow, Oakwoods
 Date: September 27, 2013

Action Requested: Motion to Approve the proposal from Stantec Consulting to provide engineering consulting services as outlined in their proposal dated August 27, 2013, in the amount of \$34,000 as recommended by Manager of Assets and Development Mike Brahm-Henkel and staff.

Fiscal Impact: Funds are available in General Engineering and Planning Account/300.01-920

Scope of Work: In response to staff's request, the firm of Stantec Consulting, of Ann Arbor, has submitted an engineering services study proposal to evaluate safety around the Metropark's five dam sites and to provide recommendations for improvements. The dams under the proposal are the Upper and Lower Stony Lake, Kent Lake, Flat Rock, and Washago Pond dams. The Work will be on a time and material fee basis and estimated at \$34,000. Staff's request to Stantec was based on their knowledge and history of Metropark dams including location, construction and operational procedures.

The motivation for requesting this work is based on staff's intention to be proactive to communicate, increase safety, and warn novice and experienced recreational water users on our lakes and rivers of the hazards surrounding our dams and to delineated a safe portage around them.

As part of this proposal past incidents at similar dams will be studied, a thorough review of the recommended current industry standards will be assessed, contact and coordination with other agencies including Huron River Watershed Council (HRWC), Michigan Department of Environmental Quality (MDEQ), Federal Energy and Regulatory Commission (FERC), Bureau of Land Management (BLM), National Park Service (NPS), Association of State Dam Safety Officials, and Local fire and rescue agencies will be incorporated into the study.

The proposal will evaluate the options available to provide viable signage upstream and downstream of the dam, recommend design alternatives and develop an Engineers conceptual cost for each location. In addition, the study will look at the consequences of portages on the naturalized areas adjacent to the sites.

Attachments: Stantec Dam Safety Signage Evaluation
 Stantec Professional Services Agreement



Stantec Consulting Michigan Inc.
 3754 Ranchero Drive
 Ann Arbor MI 48108-2771
 Tel: (734) 761-1010
 Fax: (734) 761-1200

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August 27, 2013
 File: 207599000

Attention: Mr. Mike Brahm-Henkel
 Huron-Clinton Metropolitan Authority
 13000 High Ridge Drive
 Brighton, Michigan 48114-9058

**Reference: Professional Engineering Services
 Dam Safety Signage Evaluation**

Dear Mr. Brahm-Henkel,

Stantec Consulting Michigan Inc. (Stantec) is pleased to offer the following proposal for engineering services related to safety improvements at various dams.

PROJECT BACKGROUND AND UNDERSTANDING

Huron Clinton Metropolitan Authority (HCMA) is undertaking an initiative to examine Stony Creek Upper Dam, Stony Creek Lower Dam, Kensington Dam, Flat Rock Dam, and Washago Pond Dam for safety features and determine what improvements, if any, are needed at each location. Improvements will be geared toward making the facilities safer to the general public who encounter the dams, and to HCMA employees who work near and maintain the dams.

This initiative is in view of a climate of generally increasing regulation and litigation related to public safety. HCMA desires that all the facilities meet required regulatory standards; but also would like *recommended* industry guidelines to be met to the extent that is reasonable. As part of this effort, HCMA intends to seek input from Huron River Watershed Council (HRWC) so that safety features are in accord with public access and naturalization goals for the river.

WORK PLAN

Stantec proposes to provide professional engineering services to study the five dams to determine safety needs at the respective structures, and recommend improvements based on the study.

Phase 1 – Study

For this phase, Stantec proposes the following tasks:

- Gather and review background information on all the dams.
 - Existing drawings
 - Dam safety reports
 - Recent safety incidents at the five dams and other similar dams
- Field visit to all five sites, to include observations from both land and water vantage points. Areas of interest will include the dam, existing safety features and signage, condition of adjacent shore and put-in locations, etc
 - Make general site sketches depicting existing conditions
 - Collect photographs and measurements
 - Record observations

**Reference: Professional Engineering Services
Dam Safety Signage Evaluation**

- Investigate required and recommended industry standards. Contact agencies as needed. Agencies include:
 - Michigan Department of Environmental Quality (MDEQ)
 - Huron River Watershed Council (HRWC)
 - Federal Energy Regulatory Commission (FERC)
 - Bureau of Land Management (BLM)
 - National Park Service (NPS)
 - Association of State Dam Safety Officials
 - Local fire rescue agencies
- Analyze data and formulate preliminary recommendations for improvements.
- Attend meetings with HCMA, HRWC, and MDEQ to discuss progress and recommendations. Specific questions to address include but are not limited to:
 - How do signage/safety devices interface with the new Flat Rock canoe launch?
 - Do the proposed improvements meet other goals for naturalization and public access on the Huron River?
 - What level of compliance with recommended standards is achievable?
 - How will new signage fit in with possible standardization along the entire Huron River?
- Produce report on findings
 - Present and summarize relevant background information
 - Describe and evaluate conditions
 - Recommend improvements and provide design concept alternatives. Possible improvements include the following:
 - Safety Signage
 - Buoys and floating signs
 - Barriers, guards and fencing
 - Safety hookups and tie-offs
 - Grading or other site improvements
 - Develop an Engineer's opinion of conceptual construction cost per location.
- Present findings to HCMA at a public/stakeholder meeting

Phase 2 – Design/Bidding

Work in this phase cannot be defined in detail until completion of Phase 1. However, the following tasks are suggested as a guideline:

- Produce drawings and specifications
- Submit for relevant MDEQ permits
- Bid assistance
 - Pre-bid meeting
 - Addenda
 - Review bids and make recommendation
- Contract administration
 - Technical support
 - Answer contractor RFIs
 - Punch list and closeout



Stantec

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into effective September 17, 2013 (the "Agreement Date") by and between:

"CLIENT"

Name: HURON-CLINTON METROPOLITAN AUTHORITY (HCMA)
 Address: 13000 High Ridge Drive, Brighton, Michigan 48114
 Phone: (810) 227-2757 Ext. 5157 Fax: (810) 227-8610
 Representative: Mike Brahm-Henkel

"Stantec"

Name: STANTEC CONSULTING MICHIGAN INC.
 Address: 3754 Rancho Drive, Ann Arbor, Michigan 48108
 Phone: (734) 214-2516 Fax: (734) 761-1200
 Representative: Dima El-Gamal, PhD, PE, LEED® AP, Associate

PROJECT NAME (the "PROJECT"):

Dam Safety Signage Evaluation

DESCRIPTION OF WORK: Stantec shall render the services described in Attachment "A" (hereinafter called the "SERVICES") in accordance with this AGREEMENT. Stantec may, at its discretion and at any stage, engage subconsultants to perform all or any part of the SERVICES. The CLIENT and Stantec by written amendment to this AGREEMENT may from time to time make changes to the SERVICES. All changed work shall be carried out under this AGREEMENT. The time for completion of the SERVICES shall be adjusted accordingly.

COMPENSATION: Charges for the SERVICES rendered will be made in accordance with the CONTRACT PRICE indicated in Attachment "A", or, if no CONTRACT PRICE is indicated, in accordance with Stantec's Schedule of Fees and Disbursements in effect from time to time as the SERVICES are rendered.

Invoices shall be paid by the CLIENT in the currency of the jurisdiction in which the SERVICES are provided without deduction or setoff upon receipt. Failure to make any payment when due is a material breach of this Agreement and will entitle Stantec, at its option, to suspend or terminate this Agreement and the provision of the SERVICES. Interest will accrue on accounts overdue by 30 days at the lesser of 1.5 percent per month (18 percent per annum) or the maximum legal rate of interest.

REPRESENTATIVES: Each party shall designate in the space provided above a representative who is authorized to act on behalf of that party and receive notices under this AGREEMENT. Such representatives have complete authority to act on behalf of their principals in respect to all matters arising under this AGREEMENT.

NOTICES: All notices, consents, and approvals required to be given hereunder shall be in writing and shall be given to the representatives of each party. All notices required by this AGREEMENT to be given by either party shall be deemed to be properly given and received within two (2) business days if made in writing to the other party by certified mail, telegram, email, facsimile or telex, addressed to the regular business address of such party as identified above.

CLIENT'S RESPONSIBILITIES: The CLIENT shall provide to Stantec in writing, the CLIENT's total requirements in connection with the PROJECT, including the PROJECT budget and time constraints. The CLIENT shall make available to Stantec all relevant information or data pertinent to the PROJECT which is required by Stantec to perform the SERVICES. Stantec shall be entitled to rely upon the accuracy and completeness of all information and data furnished by the CLIENT, including information and data originating with other consultants employed by the CLIENT whether such consultants are engaged at the request of Stantec or otherwise. Where such information or data originates either with the CLIENT or its consultants then Stantec shall not be responsible to the CLIENT for the consequences of any error or omission contained therein.

When required by Stantec, the CLIENT shall engage specialist consultants directly to perform items of work necessary to enable Stantec to carry out the SERVICES. Whether arranged by the CLIENT or Stantec, these services shall be deemed to be provided under direct contracts to the CLIENT unless expressly provided otherwise.

The CLIENT shall give prompt consideration to all documentation related to the PROJECT prepared by Stantec and whenever prompt action is necessary shall inform Stantec of CLIENT's decisions in such reasonable time so as not to delay the schedule for providing the SERVICES.

When applicable, the CLIENT shall arrange and make provision for Stantec's entry to the PROJECT site as well as other public and private property as necessary for Stantec to perform the SERVICES. The CLIENT shall obtain any required approvals, licenses and permits from governmental or other authorities having jurisdiction over the PROJECT so as not to delay Stantec in the performance of the SERVICES.

STANTEC'S RESPONSIBILITIES: Stantec shall furnish the necessary qualified personnel to provide the SERVICES. Stantec represents that it has access to the experience and capability necessary to and agrees to perform the SERVICES with the reasonable skill and diligence required by customarily accepted professional practices and procedures normally provided in the



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performance of the SERVICES at the time when and the location in which the SERVICES were performed. This undertaking does not imply or guarantee a perfect PROJECT and in the event of failure or partial failure of the product of the SERVICES, Stantec will be liable only for its failure to exercise diligence, reasonable care and professional skill. This standard of care is the sole and exclusive standard of care that will be applied to measure Stantec's performance. There are no other representations or warranties expressed or implied made by Stantec. In particular, but not by way of limitation, no implied warranty of merchantability or fitness for a particular purpose shall apply to the SERVICES provided by Stantec nor shall Stantec warrant or guarantee economic, market or financial conditions, proforma projections, schedules for public agency approvals, or other factors beyond Stantec's reasonable control. Stantec does not warrant the SERVICES to any third party and the CLIENT shall indemnify and hold harmless Stantec from any demands, claims, suits or actions of third parties arising out of Stantec's performance of the SERVICES.

In performing the SERVICES under this AGREEMENT, Stantec shall operate as and have the status of an independent contractor and shall not act as, or be an employee of the CLIENT.

The SERVICES performed by Stantec shall be subject to the inspection and the review of the CLIENT at all times but such inspection and review shall not relieve Stantec from its responsibility for the proper performance of the SERVICES.

TERMINATION: Either party may terminate this AGREEMENT without cause upon thirty (30) days' notice in writing. If either party breaches this AGREEMENT, the non-defaulting party may terminate this AGREEMENT after giving seven (7) days' notice to remedy the breach. On termination of this AGREEMENT, the CLIENT shall forthwith pay Stantec for the SERVICES performed to the date of termination. Non-payment by the CLIENT of Stantec's invoices within 30 days of Stantec rendering same is agreed to constitute a material breach of this AGREEMENT and, upon written notice as prescribed above, the duties, obligations and responsibilities of Stantec are terminated.

SUSPENSION OF SERVICES: If the project is suspended for more than thirty (30) calendar days in the aggregate, Stantec shall be compensated for services performed and charges incurred prior to receipt of notice to suspend and, upon resumption, an equitable adjustment in fees to accommodate the resulting demobilization and remobilization costs. In addition, there shall be an equitable adjustment in the project schedule based on the delay caused by the suspension. If the PROJECT is suspended for more than ninety (90) days, Stantec may, at its option, terminate this agreement upon giving notice in writing to the CLIENT.

ENVIRONMENTAL: Except as specifically described in this AGREEMENT, Stantec's field investigation, laboratory testing and engineering recommendations will not address or evaluate pollution of soil or pollution of groundwater.

Where the services include storm water pollution prevention (SWPP), sedimentation or erosion control plans, specifications, procedures or related construction observation or administrative field functions, CLIENT acknowledges that such SERVICES proposed or performed by Stantec are not guaranteed to provide complete SWPP, sedimentation or erosion control, capture all run off or siltation, that any physical works are to be constructed and maintained by the CLIENT's contractor or others and that Stantec has no control over the ultimate effectiveness of any such works or procedures. Except to the extent that there were errors or omissions in the SERVICES provided by Stantec, CLIENT agrees to indemnify and hold Stantec harmless from and against all claims, costs, liabilities or damages whatsoever arising from any storm water pollution, erosion, sedimentation, or discharge of silt or other deleterious substances into any waterway, wetland or woodland and any resulting charges, fines, legal action, cleanup or related costs.

BUILDING CODES, BYLAWS AND OTHER PUBLIC REGULATIONS: Stantec shall, to the best of its ability, interpret building codes, by-laws and other public regulations as they apply to the PROJECT and as they are published at the time SERVICES commence. Furthermore, Stantec shall observe and comply with all applicable laws, ordinances, codes and regulations of government agencies, including federal, state, provincial, municipal and local governing bodies having jurisdiction over the conduct of the SERVICES ("LAWS"). However, it is expressly acknowledged and agreed by the CLIENT that as the PROJECT progresses such building codes, by-laws, other public regulations and LAWS may change or the interpretation of any public authority may differ from the interpretation of Stantec, through no fault of Stantec, and any extra costs necessary to conform to such changes or interpretations during or after execution of the SERVICES will be paid by the CLIENT.

Stantec shall continue to provide equal employment opportunity to all qualified persons and to recruit, hire, train, promote and compensate persons in all jobs without regard to race, color, religion, sex, age, disability or national origin or any other basis prohibited by applicable laws.

COST AND SCHEDULE OF CONSTRUCTION WORK: In providing opinions of probable cost and project schedule, it is recognized that neither the CLIENT nor Stantec has control over the costs of labor, equipment or materials, or over the Contractor's methods of determining prices or time. The opinions of probable cost or project duration are based on Stantec's reasonable professional judgment and experience and do not constitute a warranty, express or implied, that the Contractors' bids, project schedules, or the negotiated price of the Work or schedule will not vary from the CLIENT's budget or schedule or from any opinion of probable cost or project schedule prepared by Stantec. Exact costs and times will be determined only when bids have been received for the PROJECT and when the construction work has been performed and payments finalized.

ADMINISTRATION OF CONSTRUCTION CONTRACTS: When applicable, Stantec shall provide field services during the construction of the PROJECT only to the extent that such SERVICES are included and defined in this AGREEMENT. The performance of the construction contract is not Stantec's responsibility nor are Stantec's field services rendered for the construction contractor's benefit.

It is understood and agreed by the CLIENT and Stantec that only work which has been seen during an examination by Stantec can be said to have been appraised and comments on the balance of any construction work are assumptions only.



When field services are provided by Stantec, the authority for general administration of the PROJECT shall reside with Stantec only to the extent defined in this AGREEMENT. In such case, Stantec shall coordinate the activities of other consultants employed by the CLIENT, only to the extent that Stantec is empowered to do so by such other consultants' contracts with the CLIENT.

Stantec shall not be responsible for any contractor's failure to carry out the work in accordance with the contract documents nor for the acts or omissions of any contractor, subcontractor, any of their agents or employees, or any other persons performing any of the work in connection with the PROJECT. When field services are provided, no acceptance by Stantec of the work or services of a construction contractor or other consultants, whether express or implied, shall relieve such construction contractor or other consultants from their responsibilities to the CLIENT for the proper performance of such work or services and further, Stantec shall not be responsible to the CLIENT or to the construction contractor or to the other consultants for the means, methods, techniques, sequences, procedures and use of equipment of any nature whatsoever, whether reviewed by Stantec or not, which are employed by the construction contractor or the other consultants in executing, designing, or administering any phases of the PROJECT, or for placing into operation any plant or equipment or for safety precautions and programs incidental thereto.

When field services are provided, Stantec will not be designated as the party responsible for the compliance by others on the construction work site with the purposes or requirements of applicable environmental, occupational health and safety, or similar legislation. The CLIENT shall designate a responsible party, other than Stantec, for the coordination and performance of environmental, occupational health and safety activities on the construction work site as required by applicable legislation and associated regulations.

JOBSITE SAFETY: Neither the professional activities of Stantec, nor the presence of Stantec or its employees and subconsultants at a construction site, shall relieve the CLIENT and any other entity of their obligations, duties and responsibilities with respect to job site safety. Subject only to applicable legislation, Stantec and its personnel have no authority to exercise any control over any construction contractor or other entity or their employees in connection with their work or any health or safety precautions.

LIMITATION OF LIABILITY: The CLIENT releases Stantec from any liability and agrees to defend, indemnify and hold Stantec harmless from any and all claims, damages, losses, and/or expenses, direct and indirect, or consequential damages, including but not limited to attorney's fees and charges and court and arbitration costs, arising out of, or claimed to arise out of, the performance of the SERVICES, excepting liability arising from the negligence or willful misconduct of Stantec.

It is further agreed that the total amount of all claims the CLIENT may have against Stantec under this AGREEMENT or arising from the performance or non-performance of the SERVICES under any theory of law, including but not limited to claims for negligence, negligent misrepresentation and breach of contract, shall be strictly limited to the lesser of the fees paid to Stantec for the SERVICES or \$500,000. No claim may be brought against Stantec in contract or tort more than two (2) years after the cause of action arose. As the CLIENT's sole and exclusive remedy under this AGREEMENT any claim, demand or suit shall be directed and/or asserted only against Stantec and not against any of Stantec's employees, officers or directors.

Stantec's liability with respect to any claims arising out of this AGREEMENT shall be absolutely limited to direct damages arising out of the SERVICES and Stantec shall bear no liability whatsoever for any consequential loss, injury or damage incurred by the CLIENT, including but not limited to claims for loss of use, loss of profits and loss of markets.

INDEMNITY FOR MOLD CLAIMS: It is understood by the parties that existing or constructed buildings may contain mold substances that can present health hazards and result in bodily injury, property damage and/or necessary remedial measures. If, during performance of the SERVICES, Stantec knowingly encounters any such substances, Stantec shall notify the CLIENT and, without liability for consequential or any other damages, suspend performance of services until the CLIENT retains a qualified specialist to abate and/or remove the mold substances. The CLIENT agrees to release and waive all claims, including consequential damages, against Stantec, its subconsultants and their officers, directors and employees arising from or in any way connected with the existence of mold on or about the project site whether during or after completion of the SERVICES. The CLIENT further agrees to indemnify and hold Stantec harmless from and against all claims, costs, liabilities and damages, including reasonable attorneys' fees and costs, arising in any way from the existence of mold on the project site whether during or after completion of the SERVICES, except for those claims, liabilities, costs or damages caused by the sole gross negligence and/or knowing or willful misconduct of Stantec. Stantec and the CLIENT waive all rights against each other for mold damages to the extent that such damages sustained by either party are covered by insurance.

DOCUMENTS: All documents prepared by Stantec or on behalf of Stantec in connection with the PROJECT are instruments of service for the execution of the PROJECT. Stantec retains the property and copyright in these documents, whether the PROJECT is executed or not. Payment to Stantec of the compensation prescribed in this AGREEMENT shall be a condition precedent to the CLIENT's right to use documentation prepared by Stantec. These documents may not be used for any other purpose without the prior written agreement of Stantec. The CLIENT shall have a permanent non-exclusive, royalty-free license to use any concept, product or process which is patentable or capable of trademark, produced by or resulting from the SERVICES rendered by Stantec in connection with the PROJECT, for the life of the PROJECT. The CLIENT shall not use, infringe upon or appropriate such concepts, products or processes without the express written agreement of Stantec. In the event Stantec's documents are subsequently reused or modified in any material respect without the prior consent of Stantec, the CLIENT agrees to indemnify Stantec from any claims advanced on account of said reuse or modification.

Any document produced by Stantec in relation to the Services is intended for the sole use of Client. The documents may not be relied upon by any other party without the express written consent of Stantec, which may be withheld at Stantec's discretion. Any such consent will provide no greater rights to the third party than those held by the Client under the contract, and will only be authorized pursuant to the conditions of Stantec's standard form reliance letter.



Stantec

Stantec cannot guarantee the authenticity, integrity or completeness of data files supplied in electronic format ("Electronic Files"). CLIENT shall release, indemnify and hold Stantec, its officers, employees, consultants and agents harmless from any claims or damages arising from the use of Electronic Files. Electronic files will not contain stamps or seals, remain the property of Stantec, are not to be used for any purpose other than that for which they were transmitted, and are not to be retransmitted to a third party without Stantec's written consent.

PROJECT PROMOTION: Where the Client has control or influence over construction signage, press releases and/or other promotional information identifying the project ("Project Promotion"), the Client agrees to include Stantec in such Project Promotion.

FORCE MAJEURE: Any default in the performance of this AGREEMENT caused by any of the following events and without fault or negligence on the part of the defaulting party shall not constitute a breach of contract: labor strikes, riots, war, acts of governmental authorities, unusually severe weather conditions or other natural catastrophe, or any other cause beyond the reasonable control or contemplation of either party.

GOVERNING LAW: This AGREEMENT shall be governed, construed and enforced in accordance with the laws of the jurisdiction in which the majority of the SERVICES are performed.

DISPUTE RESOLUTION: If requested in writing by either the CLIENT or Stantec, the CLIENT and Stantec shall attempt to resolve any dispute between them arising out of or in connection with this AGREEMENT by entering into structured non-binding negotiations with the assistance of a mediator on a without prejudice basis. The mediator shall be appointed by agreement of the parties. If a dispute cannot be settled within a period of thirty (30) calendar days with the mediator, if mutually agreed, the dispute shall be referred to arbitration pursuant to laws of the jurisdiction in which the majority of the SERVICES are performed or elsewhere by mutual agreement.

ATTORNEYS FEES: In the event of a dispute hereunder, the prevailing party is entitled to recover from the other party all costs incurred by the prevailing party in enforcing this AGREEMENT and prosecuting the dispute, including reasonable attorney's and expert's fees, whether incurred through formal legal proceedings or otherwise.

ASSIGNMENT AND SUCCESSORS: Neither the CLIENT nor Stantec shall, without the prior written consent of the other party, assign the benefit or in any way transfer the obligations of this AGREEMENT or any part hereof. This AGREEMENT shall inure to the benefit of and be binding upon the parties hereto, and except as otherwise provided herein, upon their executors, administrators, successors, and assigns.

PROTECTION OF PRIVACY LAWS: Stantec will comply with its statutory obligations respecting the collection, use, disclosure, access to, correction, protection, accuracy, retention and disposition of personal information that may be collected or created under this AGREEMENT. Stantec will refer any request for access to or correction of personal information that is made under statute to the CLIENT and will comply with any directions from the CLIENT respecting the access request, or respecting correction and annotation of personal information. Stantec will, at reasonable times and on reasonable notice, allow the CLIENT to enter its premises and inspect any personal information of the CLIENT's that is in the custody of Stantec or any of Stantec's policies or practices relevant to the management of personal information subject to this AGREEMENT.

ENTIRE AGREEMENT: This AGREEMENT constitutes the sole and entire agreement between the CLIENT and Stantec relating to the PROJECT and supersedes all prior agreements between them, whether written or oral respecting the subject matter hereof and no other terms, conditions or warranties, whether express or implied, shall form a part hereof. This AGREEMENT may be amended only by written instrument signed by both the CLIENT and Stantec. All attachments referred to in this AGREEMENT are incorporated herein by this reference; however, in the event of any conflict between attachments and the terms and conditions of this AGREEMENT, the terms and conditions of this AGREEMENT shall take precedence.

SEVERABILITY: If any term, condition or covenant of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this AGREEMENT shall be binding on the CLIENT and Stantec.

THE PARTIES EXPRESSLY ACKNOWLEDGE THAT THIS AGREEMENT CONTAINS LIMITATION OF LIABILITY PROVISIONS RESTRICTING RIGHTS FOR THE RECOVERY OF DAMAGES.

The Parties, intending to be legally bound, have made, accepted and executed this AGREEMENT as of the Agreement Date noted above:

**HURON-CLINTON METROPOLITAN AUTHORITY
(HCMA)**

STANTEC CONSULTING MICHIGAN INC.

Mike Brahm-Henkel

Dima El-Gamal, PhD, PE, LEED® AP, Associate

Print Name and Title

Print Name and Title

Signature

Signature



Stantec

**PROFESSIONAL SERVICES AGREEMENT
ATTACHMENT "A"**

Attached to and forming part of the AGREEMENT

BETWEEN:

HURON-CLINTON METROPOLITAN AUTHORITY (HCMA)
(hereinafter called the "CLIENT")
- and -
STANTEC CONSULTING MICHIGAN INC.
(hereinafter called "Stantec")

EFFECTIVE: September 17, 2013

This Attachment details the SERVICES, CONTRACT TIME, CONTRACT PRICE, ADDITIONAL CONDITIONS and ADDITIONAL ATTACHMENTS forming part of the above described AGREEMENT.

SERVICES: Stantec shall perform the following SERVICES:
Professional engineering services related to safety improvements at various dams as detailed in our letter proposal dated August 27, 2013.
(hereinafter called the "SERVICES")

CONTRACT TIME: Commencement Date: October 7, 2013
Estimated Completion Date: December 31, 2013

CONTRACT PRICE: Subject to the terms below, CLIENT will compensate Stantec as follows:
Time and materials fee of \$34,000 for Phase 1 – Study

Where not stated as being included in the fees, project specific subconsultant, contractor, lab and other similar third party charges will be charged as invoiced to Stantec with a fifteen percent (15%) markup.

Unless otherwise noted, the fees in this agreement do not include any value added, sales, or other taxes that may be applied by Government on fees for services. Such taxes will be added to all invoices as required.

Where the SERVICES or services conditions change, Stantec shall submit to the CLIENT in a timely manner, documentation of the revisions to Attachment "A" adjusting the Contract Services Time and Price as required.

Unless otherwise specified, charges for SERVICES are based on Stantec's hourly billing rate table ("Rate Table"), attached hereto. The Rate Table is subject to escalation from time to time.

ADDITIONAL CONDITIONS: The following additional conditions shall be read in conjunction with and constitute part of this AGREEMENT:
No additional conditions.

ADDITIONAL ATTACHMENTS: The following additional attachments shall be read in conjunction with and constitute part of this AGREEMENT:

Stantec's Rate Table 1

INSURANCE REQUIREMENTS: Before any services are provided under this agreement, Stantec shall procure, and maintain in effect during the term of this agreement, insurance coverage in amounts and on terms not less than set forth below.
General Liability: Commercial general liability insurance for personal and bodily injury, including death, and property damage in the amount of \$1,000,000 each occurrence and not less than \$2,000,000 in the aggregate.
Automobile Liability: Automobile liability insurance for bodily injury, including death, and property damage in the amount of \$1,000,000 each occurrence.



Stantec

**PROFESSIONAL SERVICES AGREEMENT
ATTACHMENT "A"**

Page 2

Professional Liability: Professional liability insurance for damages incurred by reason of any negligent act, error or omission committed or alleged to have been committed by Stantec in the amount of \$1,000,000 per claim and in the aggregate.

Workers' Compensation: As prescribed by applicable law.

Certificates: Upon request, Stantec shall provide certificates of insurance evidencing coverage required above. Each certificate shall provide that the coverage therein afforded shall not be cancelled except with thirty (30) days prior written notice to the CLIENT.



Stantec

2013 Fee Schedule

Title	Hourly Rate	Description
Technician	\$50 - \$56	<ul style="list-style-type: none"> • Entry-level position • Works under the supervision of a senior professional • Recent graduate from an appropriate post-secondary program or equivalent • Generally, less than four years experience
Engineering Assistant Construction Technician Environmental Technician	\$62 - \$75	<ul style="list-style-type: none"> • Junior-level position • Independently carries out assignments of limited scope using standard procedures, methods and techniques • Assists senior staff in carrying out more advanced procedures • Completed work is reviewed for feasibility and soundness of judgment • Graduate from an appropriate post-secondary program or equivalent • Generally, four years work experience
Senior CADD Technician Project Engineer Designer Senior Engineering Designer	\$81 - \$95	<ul style="list-style-type: none"> • Fully qualified professional position • Carries out assignments requiring general familiarity within a broad field of the respective profession • Makes decisions by using a combination of standard methods and techniques • Actively participates in planning to ensure the achievement of objectives • Works independently to interpret information and resolve difficulties • Graduate from an appropriate post-secondary program, with credentials or equivalent • Generally, six years experience
Senior Designer Senior Project Engineer Project Manager	\$102- \$116	<ul style="list-style-type: none"> • First level supervisor of first complete level of specialization • Provides applied professional knowledge and initiative in planning and coordinating work programs • Adapts established guidelines as necessary to address unusual issues • Decisions accepted as technically accurate, however may on occasion be reviewed for soundness of judgment • Graduate from an appropriate post-secondary program, with credentials or equivalent • Generally, nine years experience
Senior Project Manager Associate Registered Surveyor	\$123 - \$136	<ul style="list-style-type: none"> • Highly-specialized technical professional or supervisor of groups of professionals • Provides multidiscipline knowledge to deliver innovative solutions in related field of expertise • Participates in short and long range planning to ensure the achievement of objectives • Makes responsible decisions on all matters, including policy recommendations, work methods, and financial controls associated with large expenditures • Reviews and evaluates technical work • Graduate from an appropriate post-secondary program, with credentials or equivalent • Generally, ten years experience with extensive, broad experience
Principal	\$160 - \$217	<ul style="list-style-type: none"> • Senior level consultant or management function • Recognized as an authority in a specific field with qualifications of significant value • Provides multidiscipline knowledge to deliver innovative solutions in related field of expertise • Independently conceives programs and problems for investigation • Participates in discussions to ensure the achievement of program and/or project objectives • Makes responsible decisions on expenditures, including large sums or implementation of major programs and/or projects • Graduate from an appropriate post-secondary program, with credentials or equivalent • Generally, fifteen years experience with extensive professional and management experience
Survey Crew	\$155	2 person crew



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
From: John P. McCulloch, Director
Subject: Intergovernmental Maintenance Agreements
Location: Lake St. Clair Metropark and Stony Creek Metropark, Macomb County
Date: September 27, 2013

Action Requested: Motion to Approve the Intergovernmental Maintenance Agreements with the Macomb County Department of Roads, Harrison Township and Clinton Township as recommended by Director McCulloch and staff.

Background: The maintenance agreements allow park maintenance staff to maintain areas adjacent to park property.

**Attachment: Metro Parkway Maintenance Agreement, Macomb County Dept. of Roads
Pathway Maintenance Agreement, Harrison Township
Pathway Maintenance Agreement, Clinton Township
26 Mile Road Maintenance Agreement, Macomb County Dept. of Roads**

MUNICIPAL MAINTENANCE CONTRACT AGREEMENT – METRO PARKWAY

This Contract made this _____ day of _____, 2013 between the **Macomb County Department of Roads** (hereinafter referred to as “**Department of Roads**”), and the **Huron-Clinton Metropolitan Authority** (hereinafter referred to as “**HCMA**”), and serves as an Agreement for the fiscal year beginning October 1, 2013 and ending September 30, 2014.

WHEREAS, it is deemed both necessary and practical by both parties that Metropolitan Parkway from Jefferson to Schoenherr under the jurisdiction of the **Department of Roads** be provided grass and weed control maintenance through and by maintenance forces of the **HCMA**; and

WHEREAS, it is declared that the work to be performed under this Agreement is a governmental function and it is the intent of the parties that the **HCMA** shall perform the work under this Agreement in a manner and with such frequency as to maintain the roadways in a condition reasonably safe and convenient for public travel and/or to prevent a condition from becoming a nuisance; and,

WHEREAS, the manner in which the work is to be performed will be within the discretion and control of the **HCMA** as to what services it feels is necessary and proper weed and grass control along Macomb County primary road; and the **City’s** corporate limits; and

WHEREAS, the parties further declare that the contractual undertaking of the **HCMA** pursuant to this Agreement, confers contractual rights only on the **Department of Roads** and **HCMA** and does not confer third party beneficiary or other contractual rights in any other person to recover damages to person or property from the **Department** or **HCMA**; and

WHEREAS, the parties agree the **HCMA** shall maintain automobile liability insurance in the compliance with the No-Fault Automobile Insurance Laws of the State of Michigan for motor vehicles used by the **HCMA** for work performed under this Agreement; and

WHEREAS; during the duration of the Agreement, the parties agree the **Department of Roads** does not assume any liability resulting from the negligent actions or negligent operation of any motor vehicles, by any officer, agent or employee of the **HCMA** in connection with the performance of services under this Agreement; and

FURTHER, in consideration of the promises and acknowledgments of the parties hereto, the **Department** agrees to pay the **HCMA** the amount of \$42,500 for grass and weed control for said services performed by the **HCMA** during the fiscal year and in accordance with the above terms and conditions.

EXECUTED: _____, _____
(Month and Day) (Year)

Huron-Clinton Metropolitan Authority

Macomb County Department of Roads

By: _____
John E. La Belle, Chairman

By: _____
Mark F. Deldin, Deputy County Executive

And: _____
Robert W. Marans, Secretary

Date: _____

Date: _____

PATH MAINTENANCE AGREEMENT – HARRISON TOWNSHIP

THIS AGREEMENT, made and entered into this _____ day of _____, 2013 by and between the **Charter Township of Harrison** (the "Township") whose address is 38151 L'Anse Creuse, Harrison Township, Michigan 48045 and the **Huron-Clinton Metropolitan Authority** (the "Authority") whose address is 13000 High Ridge Drive, Brighton, Michigan 48114.

WHEREAS, the Township is the owner of a hike/bike path located in Harrison Township, Macomb County, Michigan, along the route designated in Exhibit A hereto attached (the "Bicycle Trail"); and

WHEREAS, the Authority owns, operates and maintains Metro Beach Metropark (the "Metropark") which is contiguous to the Path as shown in Exhibit A hereto attached; and

WHEREAS, the Township has requested the Authority to assist the Township by providing certain maintenance services on the Path, and the Authority is adequately staffed and equipped to provide such services, and is willing to do so upon certain conditions;

NOW, THEREFORE, the parties hereto agree as follows:

1. During the term of this Agreement, the Authority agrees to provide the following maintenance services (the "Services") on the Path:
 - a. snow plowing,
 - b. grass cutting on Path margins, and
 - c. sweeping.

The Services do not include, and the Authority does not undertake, maintenance or repair of the Path surface or other structural elements, any clearance of obstacles or blockages or any activity which is intended to survey, monitor, identify, report, correct, modify, change or improve any condition of the Path with respect to the safety of the Path for travel of persons or vehicles or the safety in any respect of any person having occasion to use the Path. Rather, the Services will be provided on an occasional basis, solely to enhance the recreational characteristics of the Metropark.

2. The Township agrees to maintain the insurance coverages described below and to indemnify and hold harmless the Authority, its Commissioners, officers, agents and employees against any and all claims, suits, losses, damage or injury to persons or property of whatever kind or nature, whether direct or indirect, arising out of or in connection with performance of the Services or otherwise in connection with this agreement. The Township shall procure at its own expense Comprehensive General Liability Insurance coverage, including personal injury liability and property damage liability coverage, together with Broad Form Contractual Insurance coverage sufficient to protect the Township and the Authority, its Commissioners, officers, agents and employees from any claims for damage to property and for personal injuries which may arise in connection with performance of the Services or otherwise in connection with this Agreement. A Certificate or Certificates of Insurance describing the coverages required hereunder must be furnished the Authority by the Township showing all premiums paid prior to the provision of any Services by the Authority. The Certificate of Insurance must name the Authority as an "Additional Insured" in relation to the maintenance of the Path.

The insurance policy or policies shall contain an endorsement providing for furnishing the Authority thirty (30) days' written notice prior to any material change, termination or cancellation of the insurance policy or policies. The Township shall provide Comprehensive General Liability insurance with the following limits of liability:

Bodily Injury Liability \$1,000,000 each occurrence
 \$1,000,000 aggregate

Property Damage Liability \$ 100,000 each occurrence
 \$ 100,000 aggregate

The Broad Form Contractual Insurance shall provide coverage in the amount of \$1,000,000.

It is expressly understood and agreed by and between the parties that the liability of the Township hereunder shall not be limited to the aforementioned insurance coverage.

3. This Agreement shall become effective upon execution by the duly authorized agents of the parties, and shall remain in effect from November 1, 2013 through October 31, 2014 unless and until thirty (30) days after either party shall notify the other party in writing of its election to terminate.

4. It is further agreed that the Township will reimburse the Authority for the services listed below against the Authority's invoice for the period beginning the first day of November, 2013 and ending the last day of October, 2014 at the following rates:

- 1. Full-Time employee grass cutting and snow plowing wages at \$50.00 per hour;
- 2. Seasonal employee grass cutting and sweeping at \$12.00 per hour and \$18.00/O.T.;
- 3. Equipment at \$120.00 per 8-hour period; and
- 4. Salt prorated at \$47.68 per ton.

IN WITNESS WHEREOF, the parties have caused these presents to be executed and delivered by their duly authorized officers on the date first given above.

Huron-Clinton Metropolitan Authority

Charter Township of Harrison

By: _____
John E. La Belle, Chairman

By: _____
Kenneth Verkest, Harrison Twp Supervisor

And: _____
Robert W. Marans, Secretary

And: _____
Adam Wit, Harrison Twp. Clerk

Date: _____

Date: _____

PATH MAINTENANCE AGREEMENT – CLINTON TOWNSHIP

THIS AGREEMENT, made and entered into this ____ day of _____, 2013 by and between the **Charter Township of Clinton** (the "Township") whose address is 40700 Romeo Plank Road, Mount Clemens, Michigan 48038 and the **Huron-Clinton Metropolitan Authority** (the "Authority") whose address is 13000 High Ridge Drive, Brighton, Michigan 48114.

WHEREAS, the Township is the owner of a hike/bike path located in Clinton Township, Macomb County, Michigan, along the route designated in Exhibit A hereto attached (the "Bicycle Trail"); and

WHEREAS, the Authority owns, operates and maintains Lake St. Clair Metropark (the "Metropark") which is contiguous to the Path as shown in Exhibit A hereto attached; and

WHEREAS, the Township has requested the Authority to assist the Township by providing certain maintenance services on the Path, and the Authority is adequately staffed and equipped to provide such services, and is willing to do so upon certain conditions;

NOW, THEREFORE, the parties hereto agree as follows:

1. During the term of this Agreement, the Authority agrees to provide the following maintenance services (the "Services") on the Path:
 - a. snow plowing,
 - b. grass cutting on Path margins, and
 - c. sweeping.

The Services do not include, and the Authority does not undertake, maintenance or repair of the Path surface or other structural elements, any clearance of obstacles or blockages or any activity which is intended to survey, monitor, identify, report, correct, modify, change or improve any condition of the Path with respect to the safety of the Path for travel of persons or vehicles or the safety in any respect of any person having occasion to use the Path. Rather, the Services will be provided on an occasional basis, solely to enhance the recreational characteristics of the Metropark.

2. The Township agrees to maintain the insurance coverages described below and to indemnify and hold harmless the Authority, its Commissioners, officers, agents and employees against any and all claims, suits, losses, damage or injury to persons or property of whatever kind or nature, whether direct or indirect, arising out of or in connection with performance of the Services or otherwise in connection with this agreement. The Township shall procure at its own expense Comprehensive General Liability Insurance coverage, including personal injury liability and property damage liability coverage, together with Broad Form Contractual Insurance coverage sufficient to protect the Township and the Authority, its Commissioners, officers, agents and employees from any claims for damage to property and for personal injuries which may arise in connection with performance of the Services or otherwise in connection with this Agreement. A Certificate or Certificates of Insurance describing the coverages required hereunder must be furnished the Authority by the Township showing all premiums paid prior to the provision of any Services by the Authority.

The Certificate of Insurance must name the Authority as an "Additional Insured" in relation to the maintenance of the Path. The insurance policy or policies shall contain an endorsement providing for furnishing the Authority thirty (30) days' written notice prior to any material change, termination or cancellation of the insurance policy or policies. The Township shall provide Comprehensive General Liability insurance with the following limits of liability:

<i>Bodily Injury Liability</i>	<i>\$1,000,000 each occurrence</i>
	<i>\$1,000,000 aggregate</i>
 <i>Property Damage Liability</i>	 <i>\$ 100,000 each occurrence</i>
	<i>\$ 100,000 aggregate</i>

The Broad Form Contractual Insurance shall provide coverage in the amount of \$1,000,000.

It is expressly understood and agreed by and between the parties that the liability of the Township hereunder shall not be limited to the aforementioned insurance coverage.

3. This Agreement shall become effective upon execution by the duly authorized agents of the parties, and shall remain in effect from November 1, 2013 through October 31, 2014 unless and until thirty (30) days after either party shall notify the other party in writing of its election to terminate.

4. It is further agreed that the Township will reimburse the Authority for the services listed below against the Authority's invoice for the period beginning the first day of November, 2013 and ending the last day of October, 2014 at the following rates:

1. Full-Time employee grass cutting and snow plowing wages at \$50.00 per hour;
2. Seasonal employee grass cutting and sweeping at \$12.00 per hour and \$18.00/O.T.;
3. Equipment at \$120.00 per 8-hour period; and
4. Salt prorated at \$47.68 per ton.

IN WITNESS WHEREOF, the parties have caused these presents to be executed and delivered by their duly authorized officers on the date first given above.

Huron-Clinton Metropolitan Authority

Charter Township of Clinton

By: _____
John E. La Belle, Chairman

By: _____
Robert J. Cannon, Clinton Twp. Supervisor

And: _____
Robert W. Marans, Secretary

And: _____
Kim Meltzer, Clinton Twp. Clerk

Date: _____

Date: _____

MUNICIPAL MAINTENANCE CONTRACT AGREEMENT – 26 MILE ROAD

This **Contract** made this _____ day of _____, 2013 between the **Macomb County Department of Roads** (hereinafter referred to as “**Department of Roads**”), and the **Huron-Clinton Metropolitan Authority** (hereinafter referred to as “**HCMA**”), and serves as an Agreement for the fiscal year beginning November 1, 2013 and ending October 31, 2014.

WHEREAS, it is deemed both necessary and practical by both parties that 26 Mile Road median from Stony Creek Metropark to M-53 (not including the M-53 roundabouts) under the jurisdiction of the **Department of Roads** be provided grass and weed control maintenance through and by maintenance forces of the **HCMA**; and;

WHEREAS, it is declared that the work to be performed under this Agreement is a governmental function and it is the intent of the parties that the **HCMA** shall perform the work under this Agreement in a manner and with such frequency as to maintain the roadways in a condition reasonably safe and convenient for public travel and/or to prevent a condition from becoming a nuisance; and,

WHEREAS, the manner in which the work is to be performed will be within the discretion and control of the **HCMA** as to what services it feels is necessary and proper weed and grass control along Macomb County primary road; and the **City’s** corporate limits; and

WHEREAS, the parties further declare that the contractual undertaking of the **HCMA** pursuant to this Agreement, confers contractual rights only on the **Department of Roads** and **HCMA** and does not confer third party beneficiary or other contractual rights in any other person to recover damages to person or property from the **Department of Roads** or **HCMA**; and

WHEREAS, the parties agree the **HCMA** shall maintain automobile liability insurance in compliance with the No-Fault Automobile Insurance Laws of the State of Michigan for motor vehicles used by the **HCMA** for work performed under this Agreement; and

WHEREAS, during the duration of the Agreement, the parties agree the **Department of Roads** does not assume any liability resulting from the negligent actions or negligent operation of any motor vehicles, by any officer, agent or employee of the **HCMA** in connection with the performance of services under this Agreement; and

FURTHER, in consideration of the promises and acknowledgments of the parties hereto, the **Department of Roads** agrees to pay the **HCMA** the amount of \$8,600.00 for grass and weed control for said services performed by the **HCMA** during the fiscal year and in accordance with the above terms and conditions.

EXECUTED: _____, _____
(Month and Day) (Year)

Huron-Clinton Metropolitan Authority

Macomb County Department of Roads

By: _____
John E. La Belle, Chairman

By: _____
Mark F. Deldin, Deputy County Executive

And: _____
Robert W. Marans, Secretary

Date: _____

Date: _____



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
From: John P. McCulloch, Director
Subject: Donations
Date: September 27, 2013

Action Requested: Motion to Approve the donations and a letter of appreciation be sent to the donors as recommended by Director McCulloch and staff.

The Metroparks received the following donations through September 30, 2013:

1. Wendy Sherrill made a \$500 cash donation to purchase a bench and tree to be used at Hudson Mills Metropark.
2. Beverly Immel made a \$300 cash donation to purchase a memorial bench for Emma Lou Rodgers to be used at Kensington Metropark near the boat rental area.

GEORGE M. CARR, P.C.

ATTORNEY AND COUNSELOR

327 SEYMOUR
LANSING, MICHIGAN 48933(517) 371-2577
Fax (517) 482-8866
gmcarr@carrlawfirm.com

Mr. John E. LaBelle, Chairman
Huron-Clinton Metropolitan Authority
13000 High Ridge Drive
Brighton, Michigan 48114-9058

September 26, 2013

Dear Chairman La Belle:

Yesterday the Governor signed into law three bills expanding the use state and county roads to off road vehicles (ORVs). The ability of ORVs to use public road right of ways began about 10 of years ago and has expanded by legislation progressively south. House Bills 4284 and 4299 together with SB50 effectively brought uniform use and regulation of ORVs to the entire state.

As signed into law, the state wide regulations only apply to county roads and state highways except interstate freeways. Townships, villages and municipalities all have a say in any initiative to open county roads to ORVs. While many of the Metroparks are either bordered or crossed by county roads, nothing in the new laws preempts the HCMA from regulating ORV use or prohibition on park roads or property.

The provisions of the new ORV law will require some degree of monitoring by the HCMA as applications are filed with the counties of the Metropark system. The use of county roads by ORVs is not automatic and requires specific county and/or local government approvals in several cases. Law enforcement will need additional training on enforcement of the new laws as they pertain to HCMA jurisdiction on county roads. The implementation of the new ORV laws is projected to be incremental and varied in the five HCMA counties. The growing popularity and use of ORVs in southern Michigan that lead to the legislation is expected to be focused on county government to approve access.

Copies of the legislation and analysis are attached.

Respectfully submitted,



George M. Carr



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
 From: Rebecca Franchock, Chief Accountant
 Subject: Preliminary 2014 Budget Estimates
 Date: September 27, 2013

Requested Action: Motion to (1) give staff direction on these figures; and (2) receive and file the Preliminary 2014 Budget estimates as recommended by Chief Accountant Franchock and staff.

Background: I am presenting information on the preliminary 2014 annual budget for your review. These numbers represent the 2014 budget requests as submitted by District and Administrative staff.

During October, a committee consisting of the Director, Manager of Administrative Services, Executive Secretary, and Chief Accountant will hold hearings with each District and Administrative Office Department. Based on input from this Board and these hearings a Recommended Budget will be developed and brought back to this Board at the November Board of Commissioners meeting.

Preliminary Total Expenditures – \$49 Million

The 2014 Preliminary Budget Expenditures are generally very consistent with the 2013 Initial Budget. Overall, there is an anticipated net decrease of \$1 million. This is being driven primarily by a \$2.3 million drop in Capital Improvement Projects as the \$3 million grant funded Lake St. Clair Storm water Greenscape project will be completed in 2013.

Capital Equipment requests are down by \$0.5 million as the Metroparks have aggressively revised when equipment must be replaced. The 2014 request does include \$300,000 for replacement of a fleet of golf carts at Kensington.

The 2014 Park Operations expenditure requests (**schedule 6**) reflect a 2 percent increase from the initial 2013 budget, however it is virtually flat when compared to the actual Projected 2013 expenditures. The increase in 2013 expenditures from the original plan is primarily a reflection of the results of the change in insurance carriers and increased pension contribution resulting from the closure of the defined benefit plan.

The Administrative Office 2014 expenditure (**schedule 5**) requests are up \$600,000 from the 2013 budget. This reflects filling vacant positions, a substantial increase in health care costs appear to be primarily due to a somewhat negative experience factor as well as the implementation of the Affordable Health Care Act. An increase in marketing of \$300,000 is offset by a decrease in legal expenses/settlements of an equal amount.

Preliminary Total Revenue - \$45 Million

Property Tax Revenue is expected to remain flat as taxable property values in some communities have begun to recover. Please see **Schedule 1** for more detail on the estimation of tax revenue at \$27.9 million.

Operational Park Revenue is detailed on **Schedule 2** at \$16.1 million. The Districts have projected most revenue sources very near the 2013 level with the exception of tolling. The increased fees associated with Annual and Daily permits are expected to produce additional revenue totaling \$1.6 million. This will offset the decrease in expected Grant Revenue.

Please refer to the “**Key Factors**” section to find more detail of revenue and expenditures.

Attachments:

1. Detail of Preliminary Budgeted Revenue and Expenditures compared to 2013 Budget and 2012 Actual.

Schedule 1: Tax Levy Revenue computation

Schedule 2: Park Operating Revenue, 2014 budgeted to 2013 Projected

Schedule 3: Capital Improvement Projects

A. Re-budgeted projects from 2013

B. Five Year Plan Projects

C. New Projects

Schedule 4: Major Maintenance Projects Summary and Detail

Schedule 5: Administrative Comparison by Account Type

Schedule 6: Operating Expenses by Park

2. Key Factors- Brief overview of Revenue and Expenditures

**Huron-Clinton Metropolitan Authority
2014 Budget**

	2012* Actual	2013 Initial Budget	2013 Projected	2014 Budget
Revenues				
Taxes (Schedule 1)	\$28,384,628	\$ 27,913,900	\$ 27,432,700	\$ 27,900,000
Park Operations (Schedule 2)	\$15,027,250	14,436,100	14,314,000	16,135,400
Interest Income	\$133,184	100,000	100,700	100,000
Sale of Capital Assets	\$204,213	195,000	212,000	200,000
Grants	\$409,538	1,784,000	2,285,700	380,000
Gifts/Donations	\$127,231	-	-	-
Miscellaneous	\$513,164	25,000	25,000	25,000
Total Budgeted Revenues	\$44,799,208	44,454,000	\$ 44,370,100	44,740,400
Expenditures				
Engineering/General Planning	\$2,200,304	\$2,202,400	\$2,200,000	\$2,615,700
Capital Improvements (Schedule 3)	\$1,869,223	9,690,500	5,090,500	7,439,500
Equipment	\$1,170,104	1,561,100	1,500,000	1,100,000
Land Acquisition	\$2,350	400,000	284,800	500,000
Major Maintenance (Schedule 4)	\$1,553,104	1,972,000	1,019,000	2,122,000
Administrative Office (Schedule 5)	\$5,960,101	5,737,200	5,646,000	6,307,000
Park Operations (Schedule 6)	\$29,706,692	28,731,900	29,269,100	29,230,900
Total Budgeted Expenditures	\$42,461,878	\$ 50,295,100	\$45,009,400	\$ 49,315,100
Budget Revenue over (under) Expenditures	\$2,337,330	(5,841,100)	(\$639,300)	(4,574,700)
Fund Balance at Beginning of Year	\$31,861,584	\$34,198,914	\$34,198,914	\$33,559,614
Fund Balance at End of Year	\$34,198,914	\$28,357,814	\$33,559,614	\$28,984,914

* From 2012 Comprehensive Annual Financial Report

**HURON CLINTON METROPARK AUTHORITY
2013 TAX LEVY COMPUTATION-REVENUE
2014-Schedule 1**

COUNTY	TAX VALUES 2013	HCMA 1/4 MILL LEVY (.00025)	HCMA REDUCED TAX REVENUE (0.0002146)	EST. WRITE OFF DUE TO TAX NEGATIVE ADJUSTMENTS	HCMA EST. LEVY TO BE COLLECTED
LIVINGSTON	\$7,571,057,139	\$1,892,764	\$1,624,749	-\$30,000	\$1,594,749
MACOMB	\$24,093,287,393	\$6,023,322	\$5,170,419	-\$50,000	\$5,120,419
OAKLAND	\$49,145,625,366	\$12,286,406	\$10,546,651	-\$400,000	\$10,146,651
WASHTENAW	\$14,205,012,197	\$3,551,253	\$3,048,396	-\$60,000	\$2,988,396
WAYNE	\$39,889,331,587	\$9,972,333	\$8,560,251	-\$500,000	\$8,060,251
TOTAL	\$134,904,313,682	\$33,726,078	\$28,950,466	-\$1,040,000	\$27,910,466

Huron-Clinton Metropolitan Authority
2014 Park Operating Revenue
Schedule 2

	2013 Projected	2014 Preliminary Budget
Administrative Office	\$ 35,500	\$ 25,000
Lake St Clair	1,581,800	1,890,300
Kensington	2,957,400	3,272,000
Lower Huron	1,319,800	1,682,200
Resident Houses	142,600	198,700
Hudson Mills	864,100	930,100
Stony Creek	2,964,900	3,271,200
Willow/Oakwoods	894,800	1,041,700
Lake Erie	1,391,100	1,566,200
Wolcott Mill	525,700	565,000
Indian Springs	897,300	923,200
Huron Meadows	677,700	708,600
North Metro Parkway Sect. I	46,400	46,400
North Metro Parkway Sect. II	3,500	3,500
North Metro Parkway Sect. III	8,000	8,000
South Metro Parkway Sect. VII	3,400	3,300
	<u>\$ 14,314,000</u>	<u>\$ 16,135,400</u>

HURON-CLINTON METROPOLITAN AUTHORITY
Preliminary 2014 Budget Estimates
Capital Improvement Projects
Schedule 3

	2013 Rebudgeted Projects (33) (Schedule A)	2014 Five-Year Projects (5) (Schedule B)	2014 New Projects (20) (Schedule C)	2014 Total Projects (58)
Lake St. Clair	\$202,000	\$264,000	\$1,291,000	\$1,757,000
Kensington	1,452,400	523,000	170,000	2,145,400
Lower Huron	24,000	-	43,000	67,000
Hudson Mills	94,000	30,000	-	124,000
Stony Creek	830,000	-	218,000	1,048,000
Willow	251,400	-	-	251,400
Oakwoods	-	-	52,000	52,000
Lake Erie	292,200	20,000	65,000	377,200
Wolcott Mill	70,000	-	-	70,000
Indian Springs	335,500	-	132,000	467,500
Huron Meadows	1,060,000	-	20,000	1,080,000
Totals	\$4,611,500	\$837,000	\$1,991,000	\$7,439,500

HURON-CLINTON METROPOLITAN AUTHORITY
Preliminary 2014 Budget - Capital Improvement Projects
Projects Rebudgeted from 2013 (33)
Schedule A

<u>PROJECT</u>	<u>AMOUNT</u>	<u>REMARKS</u>
<u>LAKE ST. CLAIR</u>		
1. Marina Accessible Docks	\$61,000	Provide ADA accessible docks at the Marina.
2. Pool Backwash System Discharge Modifications	\$16,000	Modifications to incorporate pool backwash to sanitary drains.
3. Pool Drain Modifications	\$110,000	Re-route existing drain piping to sanitary sewer.
4. Vegetative Management/Restoration	\$15,000	Forest and grassland restoration, removal of non-native species, native vegetation reintroduction.
<u>KENSINGTON</u>		
1. East Boat Launch Ramp/Pier Replacement	\$260,000	Replace existing deteriorated boat launch and piers.
2. Energy Conservation Initiatives	\$10,000	Replace and improve various building components to improve energy usage.
3. Nature Center Sheet Pile Repairs	\$135,000 *	Replace the existing failing steel sheet pile.
4. Parking Lot Reconstruction - Martindale	\$1,022,400	Replace failing parking lot surface and incorporate drainage improvements.
5. Vegetative Management/Restoration	\$25,000	Forest and grassland restoration, removal of non-native species, native vegetation reintroduction.
<u>LOWER HURON</u>		
1. Energy Conservation Initiatives	\$10,000	Replace and improve various building components to improve energy usage.
2. Pave Entrance Drive, Tulip Tree	\$14,000	Repave and realign entrance drive into Tulip Tree picnic area.

HURON-CLINTON METROPOLITAN AUTHORITY
Preliminary 2014 Budget - Capital Improvement Projects
Projects Rebudgeted from 2013 (33)
Schedule A

<u>PROJECT</u>	<u>AMOUNT</u>	<u>REMARKS</u>
<u>HUDSON MILLS</u>		
1. Energy Conservation Initiatives	\$10,000	Replace and improve various building components to improve energy usage.
2. Service Area UST to AST Conversion	\$84,000	Replace existing aged underground fuel tanks with aboveground tanks.
<u>STONY CREEK</u>		
1. Boat Launch Restroom Renovations	\$400,000	Reconfigure restroom facilities to provide compliance with the American's with Disability Act.
2. Energy Conservation Initiatives	\$10,000	Replace and improve various building components to improve energy usage.
3. Replace Boat Launch Pier	\$230,000	Replace existing deteriorated boat launch and piers.
4. UST to AST Conversion, Service Area	\$175,000	Replace existing aged underground fuel tanks with aboveground tanks.
5. Vegetative Management/Restoration	\$15,000	Forest and grassland restoration, removal of non-native species, native vegetation reintroduction.
<u>WILLOW</u>		
1. Hike-Bike Trail Reconstruction	\$40,000	Refurbish trail from Washago Pond to Big Bend Picnic area.
2. Natural Resource Management	\$27,600	Management of existing habitat and forest lands.
3. North Toll Entrance Reconstruction	\$183,800	Reconstruct entrance road and existing deteriorated toll island.
<u>LAKE ERIE</u>		
1. Energy Conservation Initiatives	\$10,000	Replace and improve various building components to improve energy usage.

HURON-CLINTON METROPOLITAN AUTHORITY
Preliminary 2014 Budget - Capital Improvement Projects
Projects Rebudgeted from 2013 (33)
Schedule A

<u>PROJECT</u>	<u>AMOUNT</u>	<u>REMARKS</u>
2. Natural Resource Management	\$13,200	Management of existing habitat and forest lands.
3. Pool Backwash System Discharge Modifications	\$49,000	Modifications to incorporate backwash to sanitary sewer.
4. Pool Drain Modifications	\$100,000	Re-route existing drain piping to sanitary sewer.
5. Toll Booth Replacement	\$90,000	Widen entrance road and replace deteriorated toll booth.
6. Vegetative Management/Restoration	\$30,000	Forest and grassland restoration, removal of non-native species, native vegetation reintroduction.
<u>WOLCOTT</u>		
1. Farm - Hog Shed	\$30,000	Farm - Hog Shed
2. Farmland Restoration	\$40,000	Farmland restoration, removal of non-native species, native vegetation reintroduction.
<u>INDIAN SPRINGS</u>		
1. Schmitt Lake Trail Development and Boardwalk	\$28,000	Development of a trail and boardwalk system to provide public access to the Schmitt Lake property.
2. Vegetative Management/Restoration	\$15,000	Forest and grassland restoration, removal of non-native species, native vegetation reintroduction.
3. Wellhouse Iron Removal System	\$292,500	Development and construction of an Iron Removal System for the wellhouse at the Environmental Discovery System.
<u>HURON MEADOWS</u>		
1. Park Maintenance Building	\$1,060,000	Construction of a park maintenance building.
TOTAL PROJECTS REBUDGETED FROM 2013	\$4,611,500	

* \$84,000 grant funding

HURON-CLINTON METROPOLITAN AUTHORITY
Preliminary 2014 Budget - Capital Improvement Projects
2014 Five Year Plan Projects (5)
Schedule B

<u>PROJECT</u>	<u>AMOUNT</u>	<u>REMARKS</u>
<u>LAKE ST. CLAIR</u>		
1. Seawall Replacement	\$264,000	Replace failing sheet pile wall
<u>KENSINGTON</u>		
1. East Main Park Road Reconstruction	\$493,000	Reconstruction of failing main park roadway
2. Vegetative Management/Restoration	\$30,000	Forest and grassland restoration, removal of non-native species, native vegetation reintroduction
<u>HUDSON MILLS</u>		
1. Vegetative Management/Restoration	\$30,000	Forest and grassland restoration, removal of non-native species, native vegetation reintroduction
<u>LAKE ERIE</u>		
1. Vegetative Management/Restoration	<u>\$20,000</u>	Forest and grassland restoration, removal of non-native species, native vegetation reintroduction
TOTAL 2014 FIVE-YEAR PLAN PROJECTS (5)	<u><u>\$837,000</u></u>	

HURON-CLINTON METROPOLITAN AUTHORITY
Preliminary 2014 Budget - Capital Improvement Projects
2014 New Projects (20)
Schedule C

<u>PROJECT</u>	<u>AMOUNT</u>	<u>REMARKS</u>
<u>LAKE ST. CLAIR</u>		
1. House Demolition, South River Road	\$11,000	Demolition of residential house resulting from land purchase.
2. West Beach Front and Playground Redevelopment	\$1,280,000	Construction of new trails and play features along the beach front to replace aging playground & boardwalk.
<u>KENSINGTON</u>		
1. Accessible Paths, Phase 1	\$52,000	Construct ADA accessible walks to picnic shelters.
2. Dam Safety Signage and Improvements	\$11,000	Construction and placement of warning signs around dam locations.
3. Maritndale Beach - New Playground	\$64,000	Install a new playground structure to replace existing aged equipment.
4. Splash-N-Blast Line Conditioner & Surge Suppressor	\$43,000	Electrical power line conditioning to protect sensitive electronic equipment.
<u>LOWER HURON</u>		
1. Pump Station for Walnut Grove Campground	\$33,000	Construction of a sanitary waste dump station for campers.
2. Remove Impoundment Structures and Berm	\$10,000	Removal of an existing drainage impoundment which is no longer in use.
<u>STONY CREEK</u>		
1. Accessible Walks, Phase 1	\$31,000	Construct ADA accessible walks to picnic shelters.
2. Additional 9 Holes at Disc Golf Course	\$29,000	Response to increase demand to the existing disc golf facility.
3. Demolish Boat Launch Building	\$17,000	Demolition of existing building once new facility is constructed.
4. Golf Course - Cart Path Construction Phase 2	\$73,000	Reconstruct of existing failing paths.
5. Pump Station for Campground	\$46,000	Construction of a sanitary waste dump station for campers.
6. Upper and Lower Dam Safety Signage & Improvements	\$22,000	Construction and placement of warning signs signs around dam locations.

HURON-CLINTON METROPOLITAN AUTHORITY
Preliminary 2014 Budget - Capital Improvement Projects
2014 New Projects (20)
Schedule C

<u>PROJECT</u>	<u>AMOUNT</u>	<u>REMARKS</u>
<u>OAKWOODS</u>		
1. Flatrock Dam Safety Signage & Improvements	\$52,000	Construction and placement of warning signs around dam locations.
<u>LAKE ERIE</u>		
1. Replace Duck Wood Shelter	\$43,000	Replacement of failing structure.
2. Wood Duck Parking & ADA Improvements	\$22,000	Contract ADA accesible walks to picnic shelter.
<u>INDIAN SPRINGS</u>		
1. EDC- Wedding Gazebo near Oak Circle	\$73,000	Construction of new gazebo for wedding events.
2. Golf Course Entrance - Reconstruction	\$59,000	Reconstruction of failing entrance - drive to golf course parking lot.
<u>HURON MEADOWS</u>		
1. Tree Planting	<u>\$20,000</u>	Tree plantings for new service building.
TOTAL 2014 NEW PROJECTS (20)	<u><u>\$1,991,000</u></u>	

HURON-CLINTON METROPOLITAN AUTHORITY
Preliminary 2014 Budget Estimates
Major Maintenance Projects
Schedule 4

	<u>2013 Budget (64)</u>	<u>2014 Budget (26)</u>
Lake St. Clair	\$348,000	\$230,000
Kensington	272,000	143,000
Dexter-Huron	-	-
Lower Huron	284,000	244,000
Hudson Mills	20,000	-
Stony Creek	58,000	11,000
Willow	376,000	271,000
Oakwoods	-	-
Lake Erie	360,000	53,000
Wolcott Mill	20,000	-
Indian Springs	113,000	-
Huron Meadows	6,000	-
Engineering/General Planning	115,000	115,000
Total Major Maintenance Projects	<u><u>\$1,972,000</u></u>	<u><u>\$1,067,000</u></u>

HURON-CLINTON METROPOLITAN AUTHORITY
Preliminary 2014 Budget Estimates
Significant Major Maintenance Projects

<u>LAKE ST. CLAIR (15)</u>		<u>TOTAL</u>
1. Marina Concrete Walk Repairs, Shore and North Marina	\$45,000	
2. Parapet Repair and painting, Admin/Concession Bldg	82,000	
3. Oil Shed and open storage Bldg. Roof Coating	50,000	
4. Bathhouse Roof Repairs	82,000	
5. Remove Cold Storage Area, Admin Bldg	12,000	
6. Lighting System Energy Retrofit, Service Garage	17,000	
7. Skid Pier Replacement, Phase 1 of 4	10,000	
8. Activity Building Metal Roof Repairs	10,000	
9. Dredging along Black Creek	25,000	
10. General Pool Repairs	11,000	
11. Shoreline Restoration, Phase 1	10,000	
12. Natural Resources Management, Phragmites Control	10,000	
13. Replace Waterline at Service Area	15,000	
14. Pump Station No. 2 - Replace Pump System	29,000	
15. Gazebo Repairs	14,000	
	<u>14,000</u>	\$422,000
<u>KENSINGTON (16)</u>		
1. Play Area Surfacing, Phase 5 (Final)	14,000	
2. Salt Storage Building Loading Modifications	11,000	
3. North Martindale Shelter, Replace Concrete	17,000	
4. Hike-Bike Trail Repairs	42,000	
5. Warehouse Repair - 1,2,3,4, and 5	30,000	
6. Salt Storage Building Wood Repair - Posts and Walls	11,000	
7. Nature Center Roof Replacement	60,000	
8. Replace Failing Drains, Park Office	24,000	
9. Repair Toll Booths	13,000	
10. Park Service Area Monitoring Wells	25,000	
11. Boat Rental - Replace 13 pilings	26,000	
12. Hike Bike I-R Repairs and Crack Filling	13,000	
13. Replace ORB and Ph Probes - Splash-N-Blast	11,000	
14. General Splash-N-Blast repairs	11,000	
15. Farm Center - Waterline replacement	11,000	
16. Road overbanding for Route 2	10,000	
	<u>10,000</u>	329,000
<u>LOWER HURON (8)</u>		
1. Hike Bike Trail Repairs	25,000	
2. Park Maintenance Building Roof Repair	74,000	
3. Turtle Cove - Paint Spray Pad Structure, Phase 2	10,000	
4. Hike-Bike Trail IR Repairs	13,000	
5. Hike-Bike Trail Connector Bridge, Replace Deck	24,000	
6. Leisure Pool Finish Repairs	10,000	
7. Road Resurfacing, Phase	130,000	
8. General Pool Repairs	11,000	
	<u>11,000</u>	297,000
<u>HUDSON MILLS (2)</u>		
1. Hike-Bike Trail Culvert Repairs, Island Area	10,000	
2. Hike-Bike Trail IR Repairs	15,000	
	<u>15,000</u>	25,000

HURON-CLINTON METROPOLITAN AUTHORITY

Preliminary 2014 Budget Estimates

Significant Major Maintenance Projects

STONY CREEK (4)

1. Park Office Rebuild ADA Ramp Stone Wall	11,000	
2. Install Grease Trap, Golf Starter	12,000	
3. Parking Lot Striping, Phase 1	20,000	
4. Road Shoulder Gravel and Topsoil, Phase 3	15,000	58,000
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WILLOW/OAKWOODS (16)

1. Connector Trail Repairs at Railroad Crossing	13,000	
2. Pool Bathhouse/Food Bar Restroom Renovations	160,000	
3. Pool Bathhouse/Food Bar Galvanized Pipe Replacement	86,000	
4. Pool Heat Exchanger Renovation	26,000	
5. Door Replacement, Pool Bathhouse and mechanical room	25,000	
6. Repair curbs at Willow Pool Plaza	10,000	
7. Willow Pool Plaza concrete repairs	12,000	
8. Willow Pool Parking Lot Pavement Repairs	70,000	
9. Pile Repair - Washago Pond	29,000	
10. General Pool Repairs	11,000	
11. Washago Pond - Replace Sluice Gate	28,000	
12. Washago Pond - Safety Signage and Improvements	10,000	
13. Bth House - Repair Leaking main water piping	15,000	
14. Oakwoods Nature Center Carpeting and Tile	17,000	
15. Oakwoods Nature Center - Upgrade Lighting	11,000	
16. Oakwoods Nature Center - repalce doors	11,000	534,000
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LAKE ERIE (8)

1. Asphalt Pavement Repairs - Park Wide	25,000	
2. Roof Repairs, Golf Course Maintenance	12,000	
3. Carpenter Shop Truss and Roof Repair	13,000	
4. Golf Maintenance Building - Replace instulation/ceiling tile	11,000	
5. Wave Pool Refinishing, Phase 3	77,000	
6. General Pool Repairs	11,000	
7. Golf Course Irrigation Head Replacement, Phase 4	23,000	
8. Boat Launch Seawall Repair and Rip Rap	18,000	190,000
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INDIAN SPRINGS (5)

1. Golf Starter Roof Replacement	50,000	
2. Golf Maintenance Metal Building Roof Coating	15,000	
3. Stain EDC	49,000	
4. Golf Course Irrigation Head Replacement, Phase 4	27,000	
5. EDC - Pondsides trail IR Repairs	11,000	152,000
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ADMINISTRATIVE OFFICE

- Engineering and General Planning		115,000
		<hr/>

TOTAL 2014 Major Maintenance Projects (74)

\$2,122,000

Huron-Clinton Metropolitan Authority
Administrative Office Comparison by Account Type
2014 - Schedule 5

	2013	2014
	Projected	Preliminary
		Budget
Full Time Wages	\$ 1,720,900	\$ 1,869,100
Part Time Wages	101,200	171,500
Employee Benefits	84,800	87,900
Employee Group Insurance	224,900	1,034,800
Full Time Overtime	5,500	600
Retirement	516,100	-
Retiree Health	1,573,400	1,676,900
Total Personnel Services	\$ 4,226,800	\$ 4,840,800
Utilities	33,800	36,600
Communications	50,900	58,000
Insurance	45,400	53,400
Professional Services	857,800	474,700
Transportation/Travel	38,400	41,700
Rents/Leases	2,500	14,900
Printing/Photography	10,700	9,600
Small Tools/Equipment	149,300	183,500
Repair/Maintenance Equipment	11,600	17,700
Office Supplies	11,200	11,000
Operating Supplies	9,000	13,400
Miscellaneous	2,400	500
Membership/Subscription	6,000	10,100
Taxes	5,000	6,000
Training	26,500	76,200
Repair/Maintenance Facilities	52,800	16,000
Chemicals	1,800	200
Employee Uniforms	900	1,200
Outsourced Repair Service	3,200	3,100
Gasoline/Diesel Fuel	12,900	11,000
Marketing	104,800	427,600
	<u>1,436,900</u>	<u>1,466,400</u>
Total Administrative	\$ 5,663,700	\$ 6,307,200

Huron-Clinton Metropolitan Authority
Comparison of Park Operating Expense
2014 - Schedule 6

	<u>2013 Projected</u>	<u>2014 Preliminary Budget</u>
Lake St. Clair	\$ 3,585,100	\$ 3,639,900
Kensington	5,968,300	6,033,200
Lower Huron	2,754,700	2,646,300
Resident Houses	25,700	46,600
Hudson Mills/ Dexter/ Delhi Metroparks	2,487,600	2,381,200
Stony Creek Metroparks	3,899,600	3,813,800
Willow Metropark	2,697,900	2,821,500
Lake Erie Metropark	3,483,300	3,490,800
Wolcott Metropark	1,434,100	1,375,600
Indian Springs Metropark	1,816,900	1,834,900
Huron Meadows Metropark	853,700	843,600
Other Park Operations	244,600	303,600
	<u>\$ 29,251,500</u>	<u>\$ 29,231,000</u>

**2014 PRELIMINARY BUDGET ESTIMATES
KEY FACTORS**

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REVENUES-\$44.2 Million

Tax Revenues - \$27,900,000

- Millage rate remains at .2146 mills for ninth consecutive year.
- “Net” tax revenues estimated at \$27,900,000, see **Schedule 1**, this is the same as 2013 “net” budgeted taxes of \$27,900,000.
- Some communities are beginning to see increases in “taxable values.”
- In 2013 the decline was (4.13%), 2012 the decline was (7.2%) and in 2011 it was (9.4%).

Park Operating Revenues - \$16,135,400

See **Schedule 2**. 2014 estimated Park Operating revenues are projected at \$16,135,400 – \$1.8 million increase over 2013 Revenue Projections.

- Increased tolling rates are projected to account for \$1.6 million of the increase. .

Interest Income - \$100,000

- Interest rates continue to remain low.
- Investable balances will continue to decrease due to cumulative impact of tax revenue declines.

Sale of Capital Assets - \$200,000

- 2014 annual surplus equipment proceeds should be comparable to 2012 auction.
- This amount includes an estimate of \$100,000 relating to the sale of one fleet of golf carts.

Grants - \$380,000

- The \$300,000 has been included for land acquisition at Lake St. Clair.
- \$84,000 for sheet piling replacement at the Kensington Nature Center has been included.

EXPENDITURES-\$47.3 Million

Engineering/General Planning - \$2,615,700

- Includes full time employees in Engineering Department, including field engineers, full time Planning/Natural Resource Department, part time employees; wages and fringe benefits.
- Approximately \$731,500 for outside consultants. This has been increased.

Capital Improvements - \$7,439,500

- See **Schedule 3** and attached **Schedules A, B, and C** for detail of the 58 capital improvement projects listed for 2014.
- Thirty-three (33) projects are being re-budgeted from 2013 at a cost of \$4,611,500. Projects are detailed on **Schedule A**.
- Five (5) revised Five-Year Plan 2014 projects are being requested for funding at \$837,000. These projects are detailed on **Schedule B**.
- Twenty (20) new projects are requested for funding at \$1,991,000. These projects are detailed on **Schedule C**.

Equipment - \$1,100,000

- Major equipment purchases have declined from 2013 (Projected) of \$1,500,000.
- \$300,000 for a replacement fleet of golf carts is included.

Land Acquisition - \$500,000

- Provides funding primarily for Grant funded land acquisition at Lake St. Clair Metropark.

Major Maintenance - \$2,122,000

- In order to keep up with the aging Metro Park infrastructure, seventy-four (74) projects have been identified and are requested for funding. Projects are detailed on **Schedule 4**.

Administrative Office - \$6,307,000

- Total 2014 requested Administrative Office expenditure budget represents a \$600,000 increase from 2013 projected expenditures of \$5,646,000. Please see **Schedule 5** for detail. This increase is mainly due to filling vacant staff positions.

Park Operations - \$29,230,900

- Total 2014 budgeted Park Operations is relatively flat from 2013 projected expenditures of \$29,269,100. Please see **Schedule 6** for detail. These numbers reflect a very stringent effort to reduce or maintain costs. As the District budget reviews take place it will be determined if these efforts can be achieved.



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
From: Susan Nyquist, Chief Planner
Subject: Wolcott Mill Metropark Operations and Development Plan
Date: September 27, 2013

Action Requested: Motion to Receive and File the Wolcott Metropark Operations and Development Plan as recommended by Chief Planner Nyquist and staff.

Faced with rising deficit spending in 2012, staff prepared a business plan for the development, maintenance, and operations of Wolcott Mill Metropark Farm Center. The plan included goals and recommendations that would reduce expenses and increase visitation and revenue.

A new directive is to develop a business plan for all of Wolcott Mill Metropark including development, maintenance, and operations of the Farm, Historic Center (Mill), Camp Rotary, and the golf course. The attached report is a draft of phase 1 and is the groundwork for a final plan. In order to complete the plan, phase 2 will be a cost recovery analysis that will include input from the Board of Commissioners, administrative office staff, park staff, local government officials, and perhaps most importantly the public.

**Attachments: Wolcott Mill Business Plan
Exhibits for Business Plan**

WOLCOTT MILL BUSINESS PLAN

Wolcott Mill Metropark is a 2,800-acre park along the North Branch of the Clinton River in Ray Township in north central Macomb County. Facilities open to the public include Wolcott Mill Historic Grist Mill, a 250 acre working farm, Camp Rotary and the Wolcott Mill Golf Course. More than 200,000 visitors enjoy the unique facilities of Wolcott Mill Metropark annually.

HISTORIC CENTER

In 1989, the mill and the surrounding 200 acres opened for public use. The gristmill was built in 1847 and was operated most of the time by Frederick Beech Wolcott and his sons until 1967. In 1979, the Huron-Clinton Metropolitan Authority purchased the mill and property. The interpretive staff is on duty to take groups for tours of the Historic Center by appointment. Facilities at the Historic Center include a pedestrian bridge over the river to the mill and three walking trails. The barn museum features the history of American barns, a buggy, antique farming equipment and tools. A gazebo provides a focal point for events and weddings, or a quiet place for conversation.

CAMP ROTARY

In 1996, Camp Rotary was purchased from the Macomb County Rotary Camp and Training Association and became part of Wolcott Mill Metropark. Facilities consist of an equestrian staging area, 10 miles of horse trails, horseshoes, volleyball courts and restrooms. There is an overnight lodge (32 persons) and a tent camping area for overnight use that is limited to Boy and Girl Scouts and other organized youth groups. The area also has a large picnic shelter (120 persons) and an activities building (120 persons), both of which may be rented.

The Warren Astronomical Society holds astronomical events, and operates and maintains the observatory, including a 12-inch telescope. 4-H groups and other equine organizations use the three show rings.

HIKING

Three trails, covering one and one-half miles, allow hikers to enjoy the historical and natural surroundings of the Historic Center site located in the park. Millrace Trail takes hikers along the old millrace on the site and returns along the North Branch of the Clinton River. Mother Earth Trail uses an interpretive flyer to explain the use of the area by Native Americans long before the mill was built. The 2.2-mile Settlers Trail explains the way settlers came to this area, what they found, and how they changed things.

HORSEBACK RIDING

Ten miles of equestrian trails that begin at Camp Rotary take horse riders through farm fields, through wooded areas, and along the North Branch of the Clinton River. Riders need to obtain a bridle tag and sign a release waiver, available at Wolcott Mill Historic Center and Stony Creek Metropark Park Office, to use the trail.

PICNICKING

At the Historic Center, picnic tables are available for those seeking quiet surroundings for a small picnic. At the Wolcott Farm, a picnic shelter located along a pond and another located to the north of the farmhouse provide great gathering points for family or business outings.

GOLF COURSE

Wolcott Mill Golf Course is an 18-hole, par 72 public course well suited for all levels of golfers. The terrain takes advantage of several water hazards provided by the North Branch of the Clinton River, which bisects the course.

FARM LEARNING CENTER

The Wolcott Mill Interpretive Farm Learning Center provides programs, tours, and horse-drawn hayrides to the public. Organized groups may also schedule tours in advance, with many scheduling Mill tours the same day. Many large events have been added to the Farm schedule to attract patronage, such as “Babies, Babies Everywhere” programs along with festivals and adventure races. The farm is a busy place, with cows milked twice a day, horses exercised, eggs collected, sheep sheared and crops planted and harvested.

Facilities include a classroom, parking lot, modern comfort station, three barns, a chicken coop and two a picnic shelters. The picnic shelter and the farmhouse are both available for rent by groups. Support from a number of farming special interest groups with products, handouts and exhibits continues to be a big help with special events and programs.

The farm is the most popular facility at the park. It is dedicated to showcasing farm life by providing opportunities for visitors to view and partake in farm related activities. The modern-working dairy operation is the heart of the farm’s unique quality that allows the public to view the process of how milk comes from cows on the farm to their table. This activity sets the Wolcott Mill Metropark Farm Center apart from other attractions in the Macomb County area. “Competitors” may have dairy cows, but seeing them milked is not part of their activities. The farm also displays other typical farm animals, from chickens and rabbits on up in size to draft horses, and, as a working demonstration farm, it grows much of the crops needed to feed the farm animals.

School programming is an important aspect of the farm operation which was one of the main focal points when the farm was first developed in the early 1990s. The main school visitations come from the kindergarten through fourth grade levels, with many pre-school aged tours as part of the operation. These programs center on essentially a “field-to-fork” focus of where and how we get our food.

The farm enjoys strong community support from educational institutions, businesses, farmers and individuals who devote their time or provide financial support to the operation. In spite of the programming and community support, the farm’s current visitation is about 71,000, with another 20,000 served at off-site programs and events. The budget for operating the farm is just over \$400,000, and about \$150,000 was generated in revenues. The farm’s market area is primarily rural and sparsely populated, and the farm itself is located on a gravel road with no easy connection to other facilities at Wolcott Mill Metropark. These factors serve to limit the numbers of people visiting the farm.

An analysis of the Farm operations concluded that in order to increase visitation and enhance revenue, a change in operation was needed including reducing operating costs. Largely focusing on crop and dairy production, it was determined that more recreational programming and more diverse activities and features will attract people from a larger area and will encourage people to visit more often throughout the year. Adding several larger events such as a “Babies, Babies Everywhere” program in spring, and a “Fall Harvest Festival” with a corn maze, pumpkin picking and hayrides, along with adding more regular programming such a daily “hand milking demonstration” and “bed time for the animals farm tours” will attract more

people and generate more revenue. In fact, since staff has put more emphasis on programming, visitation has grown by 36 percent over the past three years.

The Strengths, Weaknesses, Opportunities, and Threats analysis (S.W.O.T.) and a focus group meeting conducted in 2011 was specifically related to operations of the Farm. It recognized that one of the biggest reasons for low visitation was the lack of knowledge people have about the farm. Improvements to marketing and promotion have helped reach more potential customers.

Enhancing farm features has also attracted more users. Through the generosity of several benefactors, the construction of a small play area is complete.

Staff has been successful in reducing expenses. The reductions in full and part time staff have been offset by developing a robust volunteer group.

The 2012 business plan included a list of goals to meet. As mentioned, an increase in visitation, reduction in expenses has resulted in a growth in revenues. Meeting the goals of the plan has had a positive impact on the budget. Some of the benchmarks that have been met are as follows:

1. Developed partnerships or strengthened relationships with several agencies, organizations, and groups for both program enhancement and volunteer opportunities including Michigan State University Extension, Local Beekeepers, 4-H, Michigan Milk Producers Association, Pheasants Forever, and United Dairy of Michigan.
2. Developed programs to satisfy Michigan Education benchmarks.
3. Expanded tours to 3 am appointments and 3 pm appointments during weekdays.
4. Marketing a greenhouse to garden/entrepreneurial program to children's groups and organizations. (This was the idea of a volunteer from M.S.U. Extension and 4-H leader.)
5. Developed a large multi-week spring baby animal program (Babies, Babies).
6. Recipient of grants from the Four County Community Foundation (\$8,000 for 2013 to be shared with Mill programs).
7. Harness and Hitch has been added every Wednesday and Sunday.
8. We are not expanding our livestock arena – it is not worthwhile. The cost outweighs the benefit.
9. The Harness and Hitch event offers rides every Wednesday and Sunday through the year at no additional cost because it doubles as the horse team exercise time.
10. We have added a seventh dairy cow breed, a pygmy goat, and turkeys.
11. During programming animals are out with staff or volunteers providing an impromptu one on one opportunity with visitors.
12. Pond life program has been expanded.
13. With addition of a dock, children's Learn-to-Fish opportunities are available.
14. Constructed small "farm-themed" play area.

15. Farmers market was unsuccessful as local farmers felt there was not enough traffic to promote profitable sales.
16. Hosted a Dairy Day event.
17. Developed the annual Harvest Festival.
18. Through attrition, full-time staff has been reduced.
19. Historic Center (Mill) staff has assisted with larger programs.
20. Some vegetables and farm goods are sold through the General Store. A larger store facility would have a positive impact on the ability to sell more goods and increase revenue.
21. Improved marketing and promotion of the following events:
 - Spring Meet the Baby Animal Event
 - Country Fair – the name was improved to Dairy Festival
 - Fall Harvest Festival
 - Lunch with Santa
 - Winter Wonderland and Meet Santa (Mill)

While there is significant competition from cider mills and apple orchards in the fall, they are not open all year like the Wolcott Mill Metropark Farm Center. That is one of the farm's strategic advantages – programming can be done all year. The farm has much community support because it doesn't compete directly and openly with farmers and other businesses.

Changes envisioned for the farm can be similarly replicated at the other Wolcott Mill Metropark facilities. The emphasis will be on increased marketing efforts, hosting additional programs and events, and curbing costs. A result of the efforts to increase programming and attendance, visitation increased from roughly 91,000 visitors in 2010 and 2011, to nearly 150,000 in 2012 (64 percent). Since 2011, the farm-operating budget has been reduced by roughly 20 percent (\$107,000). At the same time, the improvements and changes planned will definitely increase visitation and revenues. Exactly how much these will be enhanced is difficult to predict, however, a cost recovery goal of 40 percent is realistic.

Additional goals of the 2012 plan remain to be completed. The Farm Center and the Mill are currently being operated by a skeleton crew. It is an ambitious plan and to meet the additional benchmarks, staffing levels would need to be increased. (EXHIBIT 1)

WOLCOTT MILL METROPARK FUTURE GOALS AND OBJECTIVES

The direct operating cost associated with the maintenance and operations of the Wolcott Mill Metropark is expected to total \$1,151,500. Personnel costs are roughly \$850,000 for the six full-time and 14 part-time employees assigned to Wolcott Mill Metropark. Capital investment and major maintenance invested to date nears \$5 million dollars (EXHIBIT 2) and future investment to complete the Master Plan is estimated to be \$55 million dollars (EXHIBIT 3).

In order to continue the efforts to improve the financial picture at Wolcott Mill Metropark, staff has worked with students from the business and marketing graduate program of Oakland University. The study recommends improvements beyond the scope previously implemented. A list of future capital projects and programs has been developed by park staff. The projects

and programs were arranged in a matrix in order to analyze the cost recovery potential of investment. The matrix includes the capital and/or program development cost estimate, projected revenue and expenses in the first three years of implementation. (EXHIBIT 4) The work also includes projected attendance and the likely demographic cross-section that would benefit and enjoy the experience as well as predicting their desire to return to Wolcott Mill Metropark. Many of these projects were reflected in the 2012 business plan for the Farm. There are many additional projects proposed for other park facilities including the Mill, Camp Rotary and the golf course.

Finally, additional analysis of the proposed projects is needed. Metropark administrators, park staff, local government officials, and most importantly the public should be invited to participate in the cost recovery analysis process. A modified version of the Cost Recovery Pyramid Method (CRP), credited to recreation planning consultants, GreenPlay, LLC will be used to establish priorities for investing in programming expansion and a capital development plan. "The creation of a cost recovery philosophy and policy is a key component to maintaining financial control, equitably pricing offerings, and identifying core programs, facilities and services for an agency." (EXHIBIT 5) Participants in the process will first establish a list of potential capital investment, land acquisition, and program development. Then small groups will work together to apply criteria filters to the components in the list. This will establish priorities for investment and predict expected return on the investment.

This will be the last piece of the puzzle and enable the final business plan for Wolcott Mill Metropark which will be brought to the Board for approval in the first period of 2014.



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
 From: Mike Brahm-Henkel, Manager of Assets and Development
 Project Title: SAW Grant Acceptance Resolution
 Project Type: Grant
 Date: September 27, 2013

Action Requested: Motion to Approve Resolution Authorizing SAW Grant Agreement and Designation of John P. McCulloch, Director and Michael Brahm-Henkel, Manager of Assets and Development as the HCMA Authorized Representatives for purposes of the SAW Grant Agreement.

Note: The Resolution Authorizing the SAW Grant Agreement will be provided by the state of Michigan with the SAW Grant application materials which will not be available until October 1. It is believed that the form resolution will be substantially similar to the standard resolution utilized for the S2 Grant Program. According to HCMA legal counsel, the state will not permit modifications of this form resolution, and deviations could result in the loss of the grant. Accordingly, it is recommended that the resolution be approved in the form as presented by the state and contained in the SAW Grant application materials.

Fiscal Impact: The Grant is capped at \$2 million dollars with a 10 percent local match for the first \$1 million and a 25 percent local match for the second million. Projects identified in the grant must proceed within three years of grant award or face repayment of the grant plus interest at a rate not to exceed 8 percent per year. The Grant covers the design and planning costs not construction costs.

Update: The tentative timeline for the Grant Application and Board Meetings

- October 1, 2013 Grant Application is available
- October 21, 2013 Drafts of the Application are due from Consultants to HCMA
- October 28, 2013 Final Applications due from Consultants to HCMA
- November 14, 2013 HCMA Board of Commissioners Meeting
- November 18 – 20, 2013 Applications to be submitted to the State
- November 28, Thanksgiving Holiday
- December 2, 2013 Application due.

The intent of the SAW Grant Program is to accelerate the statewide use of asset management planning practices as well as improve water quality. The SAW Grant covers three distinct areas which include storm water, asset management, and wastewater. Staff recommends HCMA submit two (2) applications, one for storm water and one for wastewater.

The recommendation for two applications is based on the fact that the Grant process is based on a first come first serve basis and any questions that arise from the review of the application will automatically place the applicant into the next years round of grant funding. A question that is a concern is the requirement related to the asset management section for wastewater that requires the grant recipient to show significant progress, as determined by the state, toward achieving a funding rate structure necessary to sustain the program.

Staff has not had a definitive answer as to how our organization will be viewed on this. Since we will be submitting two applications staff will include the asset management segment in both with the understanding that if both applications are approved that the asset management component will be removed from of the applications. The construction costs associated with the grant are estimated at \$2.2 million dollars. If the grant is awarded and accepted, staff will have to budget these costs in future fiscal years.

SAW GRANT APPLICATION

Rick Snyder, Governor

Michigan Department of Environmental Quality (DEQ)

Dan Wyant, Director

<http://www.michigan.gov/deq>

Michigan Department of Treasury Michigan Finance Authority (Authority)

Andy Dillon, State Treasurer

<http://www.michigan.gov/treasury>

Administered by:

Department of Environmental Quality
Office of Drinking Water and Municipal Assistance
Revolving Loan Section
Sonya T. Butler, Chief

Department of Treasury
Michigan Finance Authority
Joseph Fielek, Executive Director

Mailing Addresses:

PO Box 30241
Lansing, Michigan 48909
517-373-2161

PO Box 15128
Lansing, Michigan 48901
517-335-0994

Delivery Addresses:

Constitution Hall
4th Floor South
525 West Allegan Street
Lansing, Michigan 48933

Richard H. Austin Building
1st Floor
430 West Allegan Street
Lansing, Michigan 48922

**Completion of this application is mandatory for the applicant
to be considered for SAW Grant Program assistance.**

Printed under the authority of Parts 52 and 53, of the Natural Resources and Environmental Protection Act,
1994 PA 451, as amended.

PROJECT INFORMATION

Project Name and County _____

A. Legal Name of Applicant _____

The legal name of the applicant may be different from the name of the project. For example, a county may be the legal applicant, while the project may be named for the particular village or township it will serve.

Applicant's Federal Employer Identification No.: _____

B. Mailing Address of Applicant

Street, P.O. Box _____

City, State & Zip _____

County(s) project is located in _____

(Area Code and Telephone Number)

C. Designated Contacts for this Project

1. Authorized Representative (Name below must match the person named in the resolution)

Name _____

Title _____

Street, P.O. Box _____

City, State & Zip _____

(Area Code and Telephone Number)

(E-mail Address)

2. Applicant's Financial Advisor

Name _____

Firm _____

Street, P.O. Box _____

City, State & Zip _____

(Area Code and Telephone Number)

(E-mail Address)

3. Applicant's Consulting Engineer (if applicable)

Name _____

Firm _____

Street, P.O. Box _____

City, State & Zip _____

(Area Code and Telephone Number)

(E-mail Address)

D. Disclosure of Conditions Requiring Repayment of Grant

The intent of the SAW Grant Program is to accelerate the statewide use of asset management planning practices as well as improve water quality. It is expected that SAW grant wastewater or stormwater recipients will implement the necessary construction for which grant funding was provided for any planning, user charge, and/or design grants. SAW grant recipients for wastewater system asset management plans are required to make significant progress on the funding structure. Stormwater management grant recipients must develop a stormwater management plan. An innovative technology grant recipient must proceed with the project if testing and demonstration show that the water quality issue may be successfully and feasibly addressed with full scale implementation. Consistent with this intent and provisions of Part 52 of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended:

“(a) A grant recipient (shall) proceed with a project for which grant funding is provided within 3 years after the department approves the grant. For asset management programs related to sewage collection and treatment systems, this includes significant progress, as determined by the department, toward achieving the funding structure necessary to implement the program.

(b) The grant recipient (shall) repay the grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8 percent per year, to the Authority for deposit into the fund if the applicant is unable to, or decides not to, proceed with a construction project or begin implementation of an asset management program for which grant funding is provided.”

E. Project Need and Proposed Scope of Work

In order to improve water quality, the applicant can seek SAW Grant Program assistance to cover the costs of: 1) asset management for a wastewater and/or stormwater system; 2) innovative wastewater and stormwater technologies; 3) user charge (for wastewater projects), planning and/or design of a wastewater or stormwater system; and 4) a stormwater management plan. Details for establishing project need for each of these categories can be found in the appendices.

Describe the specific activities you will fund with SAW grant assistance. Describe the system deficiencies and/or water quality problems you want to evaluate/address: **(Attach additional pages as necessary.)**

Those applicants who intend to utilize SRF/SWQIF loan assistance for construction must provide documentation of an SRF eligible need, in accordance with Appendix A, and an appropriate scope of work prior to the approval of SAW grant funding for SRF/SWQIF planning. If the purpose of this application is a design grant for an SRF/SWQIF project, then a final project plan (complete with a public hearing transcript and resolution of adoption by the governing body) must be submitted with this application.

If you have already submitted a final SRF and/or SWQIF project plan to the DEQ and are seeking SAW grant assistance for design, then indicate your assigned project number(s):

SRF Loan Project # _____ SWQIF Loan Project # _____

F. Ownership of System Facilities or Assets

Is the legal entity that owns the system facilities or assets described in the proposed scope of work the same as the legal name of the applicant (see Item A)? YES NO

If NO, the applicant must demonstrate that it is an agent of the owner who has been delegated as the authority for implementing the activities associated with the proposed scope of work at the direction of the owner. Adequate documentation of this legal relationship must be provided along with the SAW grant application. This includes documentation related to the rate structure necessary to demonstrate significant progress with implementing a wastewater asset management plan (if applicable). Note that a rate structure is not required for a stormwater asset management grant.

G. Funding Source for Associated Construction (if applicable)

If the proposed scope of work for SAW grant assistance will result in subsequent construction, then identify the anticipated funding source(s) for the construction.

SAW SRF SWQIF Rural Development Other (explain) _____

The applicant intends to seek SAW, SRF, and/or SWQIF loan(s) to construct the proposed project in fiscal year _____ (an October 1st to September 30th fiscal year).

If construction financing is anticipated to come from a source other than SAW, SRF and/or SWQIF, identify the proposed construction year (s): _____.

H. SAW Grant Agreement Period

Start date of grant-funded tasks: _____ (month/year). May include services rendered on or after January 2, 2013, the effective date of the SAW program legislation.

Estimated date for completion of **all** grant-funded tasks: _____ (month/year). Must be completed within 3 years of anticipated grant award.

I. Does this project have an associated S2 grant(s)? If so, indicate the project number(s) below:

S2 Grant Project # _____

J. Is the applicant in receivership? YES NO

Is the applicant operating under an emergency manager or an emergency financial manager appointed under state law? YES NO

Is the applicant operating under a consent agreement as provided under the local government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to 141.1291?

YES NO

Is a disadvantaged community status determination requested? YES NO

If yes, then complete and submit the worksheet in Appendix F.

Communities considered disadvantaged by the DEQ can expend up to \$500,000 in grant funds to construct projects identified in an asset management plan.

K. Project Cost Worksheet

Read the instructions below before completing the Project Cost Worksheet.

Grant Budget Item	Incurred Project Costs	Estimated Project Costs	Cost Supporting Documents Attached?	Total Project Costs
1. Project Planning Costs			<input type="checkbox"/> YES	
2. Design Engineering Costs			<input type="checkbox"/> YES	
3. User Charge Development Costs			<input type="checkbox"/> YES	
4. Wastewater Asset Management Plan Costs			<input type="checkbox"/> YES	
5. Stormwater Asset Management Plan Costs			<input type="checkbox"/> YES	
6. Stormwater Management Plan Costs			<input type="checkbox"/> YES	
7. Innovative Wastewater and Stormwater Technology Costs			<input type="checkbox"/> YES	
8. Disadvantaged Community Construction Cost			<input type="checkbox"/> YES	
9. Cost Subtotal				
10. LESS Local Match				
11. Requested SAW Grant Amount (Line 9 minus Line 10)				

1. Entering Cost Figures

To complete the Project Cost Worksheet, enter costs incurred to date in the first column and estimated costs in the second column. **Use whole dollar amounts for all entries.** A budget line item may have costs entered in each column; however, the entries must accurately reflect the division between incurred costs and estimated (i.e., the costs in the second column must not be a cumulative total but are to represent the balance of costs not yet incurred).

2. Supporting Documentation

Documentation must be attached to your application to support the costs included on the Project Cost Worksheet: Validate by checking the box in the third column on each requested line item.

- For incurred costs, adequate supporting documentation means proof of billing or payment for each cost for which grant assistance is being sought (e.g., copies of the monthly invoices from your consulting engineer, timesheet/payroll records showing hours worked and work performed).
- For estimated costs, adequate supporting documentation means an executed contract; engineers estimates; an invoice, letter, or email from a vendor detailing the services to be rendered and their costs; or a ledger of anticipated billable force account hours, employee rates, and classifications.

3. Executed Contracts

A contract between the applicant and the vendor must be executed for each service that has been or is to be rendered if the cost of such service is greater than \$50,000. An executed copy of each contract, with a clear identification of the scope of the service(s) and a contract period, must be submitted prior to reimbursements of costs.

4. Line-By-Line Completion Guidance

In addition to the costs described below, costs eligible for SAW grant assistance include: those incurred for services rendered on or after January 2, 2013; for services to prepare this grant application; and for activities performed by the applicant's employees that are directly related to the project. These incurred costs or cost estimates should be placed under the applicable budget lines.

Line 1 – Project Planning Costs

The costs associated with project planning activities and preparation of required planning documents. Refer to Appendix A or B.

Line 2 – Design Engineering Costs

The costs associated with engineering design and preparation of design required documents. Bidding phase services, including construction staking, are not eligible for SAW grant assistance. Refer to Appendix A or B.

Line 3 – User Charge System Development Costs

The costs associated with developing or updating the applicant's system of user charges to cover the costs of project construction, operation, and maintenance as part of a planning or design grant. The costs to develop and pass sewer use ordinances, intermunicipal service agreements, or rate methodologies that are necessary for construction of the proposed project are also eligible for reimbursement. Refer to Appendix A or B.

Line 4 – Wastewater Asset Management Plan Costs

The costs associated with developing a wastewater asset management plan. Only those components addressing wastewater assets are eligible (e.g., costs associated with conducting an asset inventory of other utilities cannot be included). Refer to Appendix C.

Line 5 – Stormwater Asset Management Plan Costs

The costs associated with the development of a stormwater asset management plan. SAW grant assistance is available for the development of an asset management plan for both open and enclosed storm sewer systems. Open drainage systems that are deemed surface waters of the state but transport stormwater in response to a rain event are not eligible for assistance to develop a stormwater asset management plan. Refer to Appendix C.

Line 6 – Stormwater Management Plan Costs

The costs associated with the development of a stormwater management plan. SAW grant assistance is available for the development of plans intended to address water quality problems from MS4 permitted stormwater systems and unpermitted stormwater runoff and nonpoint sources of pollution. Refer to the Stormwater Management Plan guidance and Appendix D for information on eligible plans and planning activities.

Line 7 – Innovative Wastewater and Stormwater Technology Costs

The costs associated with testing and demonstrating the practical use of technology to address a water quality issue. The cost of the technology is not eligible for SAW grant assistance. Refer to Appendix E.

Line 8 – Disadvantaged Community Construction Cost

The construction costs associated with a project identified in an asset management plan. The costs cannot exceed \$500,000. This is only available to communities identified as “disadvantaged.” See Appendix F.

Line 10 – Required Local Match

SAW grant assistance is limited to \$2 million dollars per community with a 10-percent local match for the first million and a 25-percent local match for the second million. Applicants who responded “Yes” to any of the questions under Section J of this application are not required to provide a local match.

L. Covenants and Certifications

The applicant must abide by all of the covenants and certifications enumerated below:

1. The applicant has the legal, managerial, institutional, and financial capability to plan, design, and build the project, or cause the project to be built, and cause all facilities eventually constructed to be adequately operated.
2. The applicant certifies that no undisclosed fact or event, or pending litigation, will materially or adversely affect the project, the prospects for its completion, or the applicant's ability to make timely repayments of the grant if the project does not proceed.
3. The applicant agrees to provide the minimum appropriate local match for grant-eligible costs and disburse match funds to service providers concurrent with grant disbursements.
4. The applicant agrees to maintain complete books and records relating to the grant and financial affairs of the project in accordance with generally accepted accounting principles (GAAP) and generally accepted government auditing standards (GAGAS).
5. The applicant agrees that all municipal contracts related to the project will provide that the prime contractor and any subcontractor may be subject to a financial audit and must comply with GAAP and GAGAS.
6. The applicant agrees to provide any necessary written authorizations to the DEQ and the Authority for the purpose of examining, reviewing, or auditing the financial records of the project. The applicant also agrees to require similar authorizations from all contractors, consultants, property owners, or agents with which the applicant negotiates an agreement.
7. The applicant agrees that all pertinent records shall be retained and available to the DEQ and the Authority for a minimum of three years and that if litigation, a claim, an appeal, or an audit is begun before the end of the three-year period, records shall be retained and available until the three years have passed or until the action is completed and resolved, whichever is longer.
8. The applicant agrees to ensure that planning and design activities of the project are conducted in compliance with the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended; its Administrative Rules; and all applicable state laws, executive orders, regulations, policies, and procedures.

I certify that I am the authorized representative designated by the municipality, as defined by Section 324.5301(i) of Part 53 of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, that will receive the grant for this project and that the application information being submitted is complete and accurate to the best of my knowledge.

I further certify that _____ (*legal name of applicant*) agrees to and will abide by the covenants and certifications stipulated above.

Name and Title of Authorized Representative (*Please Print or Type*)

Signature of Authorized Representative (*Original Signature Required*)

Date

Required Documents

The following documents must be submitted with this application. This grant application will be deemed incomplete if the required documents are not attached.

- (1) Authorizing Resolution. An adopted and certified copy of the attached standard resolution, **including the SAW Grant Agreement boilerplate marked SAMPLE**, must be attached.
- (2) Application Information. The proposed scope of work must be supported by the additional information required under Section E on page 2 above.
- (3) Cost Support Documentation. All requested costs must be supported with documentation consistent with the instructions on pages 4-6 above.
- (4) All of the required information listed in each of the applicable appendices must be provided.

Please return the application and the specified attachments to:

REVOLVING LOAN SECTION
OFFICE OF DRINKING WATER AND MUNICIPAL ASSISTANCE
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

MAILING ADDRESS
P.O. BOX 30241
LANSING MI 48909-7741

SURFACE DELIVERY ADDRESS
CONSTITUTION HALL 4TH FLOOR SOUTH
525 W ALLEGAN ST
LANSING MI 48933-1502

Grant Application Received By:	Can Expect A Grant Award In:*
July 1	October
October 1	January
January 1	April
April 1	July

*A grant application may be submitted to the DEQ at any time. Grant awards will be issued quarterly based upon the date an application is administratively complete, until available SAW funding has been exhausted.

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(placeholder for Authorizing Resolution)

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APPENDIX A

Documentation Required to Establish Project Need for an SRF/SWQIF Project Plan

Required Information

For the preparation of a new SRF/SWQIF project plan, the following information (Items 1 – 7) must be provided with this application, if applicable:

1. Study/Service Area Information
 - a. Map(s) of the study and service areas
 - b. Study and service area population figures and flows
 - c. Projected 20-year population figures and flows
2. Existing Wastewater Treatment Facilities
 - a. Description of the treatment processes
 - b. List of major treatment components at the end of their useful lives
 - c. Operation and maintenance-caused problems
 - d. Data on existing flows and design capacity with an explanation of how this contributes to the project need
 - e. Description of pollutants, and associated volumetric levels, tracked in the NPDES permit that contribute to the project need
 - f. Copy of the discharge permit or a compliance order
 - g. Other basis or documentation of the need for facility improvements
3. Existing Wastewater Collection System
 - a. Map(s) and description of the entire collection system
 - b. Map(s) and descriptions of the combined sewer areas
 - c. Age and condition of interceptors and collector sewers that may need to be upgraded or replaced
 - d. Condition, adequacy, locations, ages, and capacities of pump stations that may need replacing or upgrading
 - e. Condition, adequacy, locations, ages, and capacities of retention/equalization basins that may need upgrades
 - f. Operation, maintenance, or other problems with the collection system that contribute to a need for replacement or upgrading
 - g. Data on existing collection system flows, including a preliminary assessment of infiltration and inflow (see Item 4 below)
 - h. Raw sewage bypass locations, frequencies, durations, volumes, and water quality impacts

- i. Combined sewer overflow locations, frequencies, durations, volumes, and water quality impacts
- j. A narrative explanation of the need for collection system improvements

4. Extraneous/Excessive Infiltration and Inflow (I/I)

An initial quantification of collection system I/I must be provided with this application to determine the applicability of the following conditions and confirm if there is extraneous I/I

- a. Wastewater flow during conditions of high groundwater is greater than 120 gallons per capita per day.
- b. Wastewater flow during the design storm event or any smaller storm event is greater than 275 gallons per capita per day.
- c. Storm events cause backup problems, overflows, or poor treatment performance due to hydraulic overloading.

Depending on the nature of the proposed project, an I/I analysis may be required to identify any excessive I/I (i.e. cost-effective to remove rather than transport and treat) and would be eligible for inclusion as part of this application. An I/I analysis being proposed in the absence of any of these conditions will not be eligible for SAW grant assistance if the applicant intends to utilize SRF/SWQIF loan assistance for construction rather than SAW loan assistance or other sources of funding. For further information, refer to pages 15–18 in the **DEQ Clean Water Revolving Funds Project Plan Preparation Guidance (CWRF PPPG)**.

5. Sewer System Evaluation Survey (SSES)

If you are proposing to complete an SSES with SAW grant assistance, provide a copy of the completed I/I analysis with this application.

6. Sewer Televising/Physical Inspections for Structural Integrity

If you are proposing to perform televising and/or physical inspections with SAW grant assistance to assess the structural integrity of municipal sewers, then provide documentation with this application to justify the extent of the area(s) to be evaluated.

Applicants should note that defects identified as a result of televising/physical inspections must meet the requirements found on pages 17–18 in the **CWRF PPPG** to be considered an SRF-eligible need for design or construction funding.

7. Projects in an Area Currently Without Sewers

Are you proposing to seek SAW grant assistance for a project to correct failing on-site septic systems in an area currently without sanitary sewers? YES NO

If YES, then applicants should note that this type of project has a higher degree of difficulty in moving forward due to the controversial nature of establishing a Special Assessment District (SAD) and the inability to proceed with project construction due to the SAD not receiving approval. Disapproval of an SAD would require the SAW grant to be repaid (with accrued interest if applicable).

Applicants need to present sufficient documentation to identify suspected or known problem areas as part of this application and as a prerequisite to defining a need for their residents. For further information, please refer to pages 4–6 and 19 in the **CWRF PPPG**.

GUIDANCE FOR APPENDIX A

Grant Eligible

Planning

- Costs associated with the development of a SAW project proposal, SRF/SWQIF project plan, or other similar planning documents.
- Equipment and services for the acquisition, installation, and operation of flow meters necessary for an infiltration and inflow (I/I) analysis or for a hydrological study of a storm sewer system or a watershed.
- Costs to prepare an eligible SAW grant application, including force account work.
- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.

Design

- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.
- Associated costs to acquire land/easements such as appraisals, title searches, easement agreement preparation, legal notices, and closing costs.

User Charge Development

- Costs for a project to prepare or amend sewer use and/or rate ordinances, prepare or revise inter-municipal service agreements, and/or submit proposed budgets and rate methodologies. Financial and/or legal services to evaluate and develop funding/rate structures for a project and to establish and review service agreements and ordinances.

Grant Ineligible

Planning and Design

- The renting of a physical space for a SAW grant public meeting.
- Meals and other non-essential amenities for a SAW grant public meeting.
- The hiring of a licensed transcriptionist for a SAW grant public meeting.
- Planning and design activities related to the evaluation of groundwater impacted by stormwater infiltration.
- The purchase price to acquire land/easements.
- Post-construction monitoring of stormwater best management practices (BMP) performance to determine effectiveness.

APPENDIX B
**Establishing Project Need for the Planning and/or Design of Stormwater
and/or Nonpoint Sources of Water Pollution**

Required Information

1. Is SAW grant assistance being sought for a project to correct stormwater and/or nonpoint source water pollution? YES NO

If YES, then address the following questions:

a. Is the proposed project included in nonpoint source approved watershed plan? YES NO

b. Is the proposed project located within a Municipal Separate Storm Sewer System (MS4) permit area? YES NO

If YES, is the proposed project required under that permit? YES NO

If YES, then attach an explanation to this application.

c. Does the proposed project help address a nonpoint pollutant source identified in the approved watershed management plan or a Total Maximum Daily Load? YES NO

If YES, then attach an explanation to this application.

d. Is the proposed project for a SAW stormwater management plan? YES NO

2. Attach documentation to this application explaining how the proposed project will address the nonpoint source water quality problem. The explanation should include the estimated reduction in the problem pollutant(s).

GUIDANCE FOR APPENDIX B

Grant Eligible

Planning

- Costs associated with the development of a SAW project proposal, SRF/SWQIF project plan, or other similar planning documents.
- Equipment and services for the acquisition, installation, and operation of flow meters necessary for an infiltration and inflow (I/I) analysis or for a hydrological study of a storm sewer system or a watershed.
- Costs to prepare an eligible SAW grant application, including force account work.
- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.

Design

- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.
- Associated costs to acquire land/easements such as appraisals, title searches, easement agreement preparation, legal notices, and closing costs.

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User Charge Development

- Costs for a project to prepare or amend sewer use and/or rate ordinances, prepare or revise inter-municipal service agreements, and/or submit proposed budgets and rate methodologies. Financial and/or legal services to evaluate and develop funding/rate structures for a project and to establish and review service agreements and ordinances.

Grant Ineligible

Planning and Design

- The renting of a physical space for a SAW grant public meeting.
- Meals and other non-essential amenities for a SAW grant public meeting.
- The hiring of a licensed transcriptionist for a SAW grant public meeting.
- Planning and design activities related to the evaluation of groundwater impacted by stormwater infiltration.
- The purchase price to acquire land/easements.
- Post-construction monitoring of stormwater best management practices (BMP) performance to determine effectiveness.

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APPENDIX C
Asset Management Plan for Stormwater and Wastewater

A. Proposed Scope of Work

Applicants can seek Asset Management Plan (AMP) grant assistance to cover the costs of the asset management plan development and implementation for wastewater and stormwater systems.

Describe the specific activities you will fund with the AMP grant assistance. Attach additional pages as necessary:

B. Describe your current asset management plan as applicable:

Provide the percentage of tasks completed and describe each asset management component of your current asset management plan

1. Asset Inventory and Condition Assessment
2. Level of Service
3. Criticality of Assets
4. Operation and Maintenance (O&M) Strategies/Revenue Structure
5. Long-term Funding/Capital Improvement Planning

C. Describe how the proposed project will augment the existing AMP, if applicable:

Provide the percentage of completion and description of tasks completed for each asset management component after the project

1. Asset Inventory and Condition Assessment
2. Level of Service
3. Criticality of Assets
4. O&M Strategies/Revenue Structure
5. Long term funding/Capital Improvement Planning

D. If a new asset management plan is being developed, estimate the percentage of completion of each asset management component within three years.

1. Asset Inventory and Condition Assessment _____
2. Level of Service _____
3. Criticality of Assets _____
4. O&M Strategies/Revenue Structure _____
5. Long-term Funding/Capital Improvement Planning _____

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E. If the grant award will not result in a complete approvable asset management plan, describe the tasks that remain to be completed, the timeframe for completion and how the applicant will fund those components.

F. Provide the names and titles of those involved in the project

1. _____
2. _____
3. _____
4. _____
5. _____

G. National Pollutant Discharge Elimination System (NPDES) Permits

Do you currently hold a NPDES permit to cover discharges from your wastewater system?
 YES NO

If Yes, what is the permit number? _____

If you have a NPDES permit, does it currently contain an asset management requirement?
 YES NO

Note: For all NPDES permit holders, SAW asset management grants will be conditionally awarded to those that accept an asset management condition in the next reissued NPDES permit. The asset management plan developed must meet NPDES permit requirements.

H. Revenue Structure (for wastewater only)

Does the municipality currently have a rate methodology? YES NO

If Yes, does the rate methodology generate sufficient revenues? YES NO

Include a copy of the rate methodology.

If the municipality currently does not have a rate methodology, will the asset management plan include the development of a funding structure and rate methodology that provides sufficient resources to implement the asset management plan? YES NO

I. Cross-Sectoring

Asset management encourages cross-sector utilization (for water utility, roads, stormwater, etc.); however grant assistance may only be requested for those costs directly related to wastewater assets.

Will the asset management plan include cross-sector utilization (ex. asset inventory of other utilities)? If so, please describe.

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Is any grant assistance being requested for cross-sector costs? YES NO

Section 2504 e (2)(i) states that “The municipality shall coordinate, as feasible, with other infrastructure activities in the same geographic area.”

What percentage of the grant assistance will be shared with other municipalities or utilities?

What components of the grant assistance will be shared with other municipalities or utilities?

J. Legal Documents

Is the municipality’s wastewater system part of a regional facility? YES NO

Will the grant assistance impact another municipality(ies)? YES NO

If the municipality is part of a regional system, provide copies of each pertinent document which detail legal, operational and organizational arrangements.

- Articles of Incorporation
- Authority Bylaws
- Intermunicipal service agreements
- 425 Agreements

Explain how the asset management plan will impact other jurisdictions?

K. Project Cost Worksheet

Carefully read the instructions below before completing the Project Cost Worksheet.

Item	Incurring Costs	In-kind Costs	Estimated Costs	Supporting Documents	Total
GIS software				Y N	
GIS training				Y N	
AM software				Y N	
AM training				Y N	
GIS Hardware				Y N	
AM Hardware				Y N	
Televising				Y N	
Rental rate				Y N	
Operational rate				Y N	
Level of Service				Y N	
Service agreement development				Y N	
Public meeting cost				Y N	
Ordinance cost				Y N	

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Item	Incurred Costs	In-kind Costs	Estimated Costs	Supporting Documents	Total
Training/certification For PACP For MACP				Y N	
Rate Structure				Y N	
Inventory				Y N	
Condition assessment (excluding televising)				Y N	
Metering/modeling				Y N	
Other				Y N	

L. Identify what the municipality plans to accomplish in 3 years to demonstrate “significant progress.”

GUIDANCE FOR APPENDIX C

Grant Eligible

- AMP/Geographic Information System (GIS) mapping software/hardware/training. Total limits are as follows:

Service Area Population	Dollar Limit
Less than or equal to 5,000	\$60,000
5,001 to less than or equal to 20,000	\$85,000
20,001 to less than or equal to 50,000	\$110,000
Greater than 50,000	\$160,000

Note: Justification is necessary for AMP/GIS assistance when assistance is sought for an applicant with an existing GIS system or for when an exception is being made to the above dollar limits.

- Asset condition assessment (manhole inventory, cleaning and televising)
 - All televising and documentation must be completed in accordance with NASSCO PACP requirements and by PACP certified personnel.
 - Equipment rental costs for force account work of cleaning and televising equipment owned by the applicant will be reimbursed at rates no greater than those allowed by the most current edition of MDOT’s Equipment Rental Rates (Schedule C), Report 375 (http://www.michigan.gov/documents/mdot/MDOT_EquipRentalRates_2013_406968_7.pdf).
 - **Note:** *The committee is considering a limit on the amount requested for televising. The limit will be to encourage communities to focus on sewers installed or relined prior to 1983. A justification would be needed to televise sewers installed or relined since 1983.*

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- Force account costs associated with the direct implementation of the AMP/GIS software and hardware. The maximum rate for fringe costs is 40 percent of salary. Tasks associated with the tracking of an AMP's progress.
- The technical, legal, and financial costs to develop a funding structure and implementation schedule necessary to implement an AMP, or portion thereof. These tasks include those costs associated with the preparation or amendment of sewer use and rate ordinances, stormwater management ordinances, policies and design standards, preparation or revision of inter-municipal service agreements, and submittal of the proposed budgets and rate methodologies.
- Any specific tasks named as a condition of an NPDES permit not identified elsewhere in this guidance, such as mapping without GIS, a fixed asset inventory, a business risk evaluation, an annual report of operation, maintenance, and replacement (OM&R)/AMP activities, etc.
- Aerial data collection at the 12-inch resolution when it is purchased from the county obtained from the state.

Grant Ineligible

- IT updates and renewals to an existing GIS system are ineligible OM&R.

APPENDIX D Stormwater Management Plan

The SAW grant program is available to applicants who wish to acquire funding for the development of Stormwater Management Plans. Under the SAW program, a Stormwater Management Plan is broadly defined to include those documents listed in the below checklist. Applicants are encouraged to review the webpages associated with each document to determine which Stormwater Management Plan best fits their planning needs for the treatment of stormwater. Applicants should also review the Stormwater Management Plan guidance document.

For those applicants who applying for a SAW grant for the development of a Stormwater Management Plan, indicate below which type of document will be generated using grant funding. Include a description and a map of the planning area, as well as a description of water quality problems that will be addressed with the Stormwater Management Plan.

Municipal Separate Storm Sewer System (MS4) Stormwater Management Program (see www.mi.gov/degstormwater). An MS4 Stormwater Management Program addresses the effects of urbanization on the water quality of surface water of the state. Please choose one of the following:

- Applicant currently has National Pollutant Discharge Elimination System (NPDES) MS4 permit coverage
- Applicant will be a new NPDES MS4 permittee

Applicants applying for a SAW grant for one of the following Stormwater Management Plans, shall also include as part of the application the percentage of land uses in the planning area.

Nonpoint Source (NPS) Watershed Management Plan (See the “Developing an Approved Watershed Management Plan” www.mi.gov/nps). The description of water quality problems must include the following:

- A description of the watershed and watershed boundary and the hydrologic unit code.
- A description of the current water quality conditions, and the needs/problems to be addressed with the proposed project. List or discuss all 303(d) listed water bodies and include the Assessment Unit ID (See the [2012 Integrated Report](#), Appendix B).
- A list of the pollutants the NPS Watershed Management Plan will target. The list shall include pollutants listed in the [2012 Integrated Report](#) for Michigan (See Appendix B of the report) as causing designated use impairments in the watershed where NPS pollution is a contributor to the water quality impairment. The list should also include pollutants important at the local level and the rationale for the listing.

SAW Stormwater Management Plan (See the SAW Stormwater Management Plan guidance below)

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Stormwater Management Plan

The SAW grant program is available to applicants who wish to acquire funding for the development of Stormwater Management Plans and the design of projects contained or described within a Stormwater Management Plan. Under the SAW program, a Stormwater Management Plan is broadly defined to include:

- Municipal Separate Storm Sewer System (MS4) Stormwater Management Plan (See the MS4 at www.mi.gov/degstormwater)
- Nonpoint Source Watershed Management Plan (See the “Developing an Approved Watershed Management Plan” at www.mi.gov/nps)
- SAW Stormwater Management Plan (See the SAW Stormwater Management Plan below)

Development of a Stormwater Management Plan

MS4 Stormwater Management Plan

Permittees required to develop an MS4 Stormwater Management Plan (SWMP) are municipal agencies, such as cities, townships, villages, county agencies, and school districts located in a census defined urbanized area with a discharge of stormwater to surface waters of the state. The existing NPDES MS4 individual permit application is structured such that by completing the application an MS4 SWMP is produced. The best management practices (BMP) included in the MS4 SWMP shall be designed to reduce the discharge of pollutants from the MS4 to the maximum extent practicable.

For those applicants who are developing a new MS4 SWMP, the development of the entire MS4 SWMP is eligible for SAW grant funding. An applicant who already has an approved MS4 SWMP or Stormwater Pollution Prevention Initiative (SWPPI) in place can receive funding to update the SWMP/SWPPI. An approved MS4 SWMP includes the following minimum requirements:

1. BMPs to be implemented to meet the following six minimum control measures (a– f) and applicable water quality requirements (g)
 - a. Public Participation/Involvement Program
 - b. Public Education Program
 - c. Illicit Discharge Elimination Program
 - d. Construction Stormwater Runoff Control Program
 - e. Post-Construction Stormwater Runoff Program
 - f. Pollution Prevention and Good Housekeeping Program
 - g. Total Maximum Daily Loads (TMDL) Implementation Plan (This water quality requirement applies to a regulated MS4 that discharges stormwater to impaired waters with an approved TMDL that includes a pollutant load allocation assigned to the regulated MS4.)
2. A measurable goal for each BMP. Each measurable goal shall have a measure of assessment to determine progress towards achieving the measurable goal.
3. The following Phase I MS4 Permittees shall include as part of the SWMP an Industrial Facility Program: [cities of] Ann Arbor, Flint, Grand Rapids, Sterling Heights, and Warren.

The NPDES MS4 individual permit application allows an applicant the option of submitting a collaborative approach for four of the six minimum control measures and the water quality requirements as part of the SWMP. Collaborative efforts may include several MS4 permittees collaborating to meet all or parts of a minimum control measure or water quality requirement.

The MS4 SWMP is considered approved when an individual NPDES permit is issued to the MS4 permittee with the requirement to implement and enforce the approved MS4 SWMP. The MS4 permittee

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is required to document progress made implementing the MS4 SWMP as part of the Progress Report requirements in the MS4 NPDES permit.

For MS4 permittees with an approved SWMP or SWPPI, the following are examples of updates that may be eligible if the activity is significantly revised or goes beyond what is currently included in the approved SWMP/SWPPI:

- Public Education Program: Developing a survey to assess changes in public behavior.
- Illicit Discharge Elimination Program:
 - Developing a storm sewer system map to include the location of all outfalls and points of discharge.
 - Prioritizing dry-weather screening of outfalls and points of discharge by identifying areas of high illicit discharge potential. This prioritization could be completed as a collaborative effort with several MS4 permittees.
- Post-Construction Stormwater Runoff
 - Updating post-construction stormwater runoff performance standards. More specifically, updating an ordinance or regulatory mechanism to include the water quality treatment and channel protection performance standards in the current NPDES MS4 individual permit application.
 - Developing a tracking system for ensuring the long-term maintenance of post-construction BMPs. For example, a system to track the performance of the BMPs implemented to meet the performance standards and included in a maintenance agreement.
- Pollution Prevention and Good Housekeeping Program
 - Developing a site-specific standard operating procedure identifying the structural and non-structural stormwater controls implemented or to be implemented and maintained to prevent or reduce pollutant runoff at facilities owned/operated by the applicant with a high potential for pollutant runoff.
 - Developing a procedure for assessing catch basins for routine inspection, maintenance, and cleaning based on preventing or reducing pollutant runoff.
- TMDL Implementation Plan – Developing a TMDL monitoring plan for assessing the effectiveness of BMPs currently being implemented or to be implemented in making progress toward achieving the TMDL pollutant load reduction requirement.

Nonpoint Source Watershed Management Plan

Applicants eligible to develop a Nonpoint Source Watershed Management Plan include cities, villages, counties, townships or other public bodies established under state law (watershed alliances, conservation districts, and regional planning agencies for example). Watershed Management Plans under this category must be approvable as defined in the administrative rules for the CMI NPS Pollution Control Grants and/or include the “nine minimum elements of watershed planning” required by the United States Environmental Protection Agency. To maximize potential future funding, plans should meet both state and federal criteria. NPS Watershed Management Plans must be developed for a hydrologically-based area and must include a list of targeted pollutants. Targeted pollutants must include those listed in Michigan’s 2012 Integrated Report as causing designated use impairments in the watershed. The list should also include pollutants important at the local level as well as the rationale for their listing.

For an applicant who is developing a new NPS Watershed Management Plan, the development of the entire plan is eligible for SAW grant funding. Justifiable updates to a previously approved NPS Watershed Management Plan are also eligible. Justifiable updates to a plan include, but are not limited to: updates to meet additional criteria; reevaluation of environmental conditions and next steps; etc.

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Complete watershed management plans (along with completed [checklists](#)) can be submitted to the appropriate [district office](#) or the NPS Unit in Lansing. Watershed plan reviews require a minimum of 90 days and approval typically requires two or more reviews.

Applicants developing a NPS Watershed Management Plan for: (1) watersheds with flooding, flashy flows, or other hydrology issues; (2) or recommended stream bank stabilization, channel realignment, changes to channel geometry; (3) or changes impacting flow or sediment transport, must refer to the [NPS Hydrologic and Geomorphic Guidance](#). Applicants must also consider a wetlands component, as described in the [Guidance for Wetland Related Elements](#), when developing a NPS Watershed Management Plan.

SAW Stormwater Management Plan

An applicant that wants to develop a SWMP other than an MS4 or NPS SWMP may receive grant funding to develop a SWMP as long as it contains the following minimum components:

1. A description and map of the jurisdictional boundaries and the area to be covered by the plan (typically a sewershed and/or drainage district). The planning area should be hydrologically based and include the entire collection and conveyance system (open and closed) as well as the contributing area.
2. A description of the major components of the stormwater system and/or country drainage district, including sewershed and watershed boundary and internal sub-boundaries, surface water hydrology, mapping of stormwater conveyance (pipes and channels), existing storage, regulatory or other mapped floodplains, flood control facilities and treatment components.
3. A description of publically owned BMPs and private BMPs that significantly affects the stormwater system.
4. Describe all known stormwater and all known stormwater related water quality problems within the planning area (for example, surface flooding, hydraulic restriction, erosion, water quality, etc.).
5. Include recommendations and an analysis of projects to correct stormwater and known stormwater related water quality problems.
 - a. This includes project identification, preliminary sizing and description of proposed activities. Proposed activities could consist of capital improvements (i.e. culvert replacement, channel modification, structural BMPs, etc.) or changes to inspection or maintenance activities (i.e. stream bank assessments, detention basin inspections, floodplain or floodway encroachment surveys, etc).
 - b. Provide estimated operation, maintenance and capital costs for all recommendations
6. Include a timeline for implementation of the plan. The extent of the timeline is at the applicant's discretion (i.e., 5-year, 10-year, etc.).

It is strongly suggested that the following components also be included in the SWMP:

1. A general maintenance plan
2. The desired level of service should be determined through a public involvement process
3. A public education program or activities
4. A general description of land use percentages

The applicant is required to obtain Water Resources Division staff approval of the SWMP.

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GUIDANCE FOR APPENDIX D

Grant Eligible

- A Stormwater Management Plan (SWMP) must address water quality issues caused by surface runoff of stormwater. Two concepts are presented here. First, there must be a stormwater related water quality problem, not just a stormwater quantity issue. Second, only surface water issues are eligible.
- Assessment of Best Management Practices (BMPs) to determine their effectiveness.
- Legal and/or force account costs associated with the creation or amendment of stormwater ordinances, policies, and design standards.
- Flow monitoring for a hydrologic analysis of a stormwater conveyance system or surface water system.
- Water quality sampling to determine current water quality conditions.
- Development of a public education and involvement program or activities for stormwater issues.
- Development of a maintenance plan for stormwater practices.

Grant Ineligible

- Costs related to implementation of a MS4 SWMP program
- The purchase price to acquire land/easements
- Post-construction monitoring of stormwater management BMP performance to determine effectiveness.
- Planning and design activities related to the evaluation of a groundwater impacted by stormwater infiltration.

APPENDIX E
SAW Innovative Wastewater and Stormwater Technology

The applicant must agree that if a grant is awarded, and testing and demonstration results in a determination that a particular innovative technology can be successfully applied to address the water quality issue, and if full-scale implementation of the innovative technology is determined to be technically and cost feasible, the grant recipient must implement the project within 3 years of grant approval. Project costs related to the testing and demonstration of innovative wastewater and stormwater technologies may be eligible for grant funding. Complete the following to aid in determining grant eligibility.

A. The technology must meet one or more of the following categories to be considered innovative:

- The technology has not been previously used in Michigan or the region, if influenced by climate
- The technology has not been previously used in the United States, if independent of climate influences
- The technology is an application of an existing technology applied to a different media (e.g. a water supply treatment technology applied to the wastewater field)
- The technology is an application of an existing technology applied to a different pollutant (e.g. previously used to address pollutant 'X', proposed to address pollutant 'Y')

Provide a detailed explanation of how the innovative technology meets one or more of the categories above (attach additional pages, if necessary):

B. Eligible projects must focus on a specific existing water quality issue that needs to be addressed. Provide a detailed explanation of how the proposed testing and demonstration of an innovative technology meets this requirement (attach additional pages, if necessary):

C. For eligible technologies identified in A above, attach a detailed pilot study work plan. The work plan should be developed based on the associated guidance included with this application.

GUIDANCE FOR APPENDIX E

Grant Eligible

- Pilot studies demonstrating the effectiveness of wastewater and/or stormwater technologies which do not result in any permanent construction that becomes a tangible asset.
- If testing and demonstration is successful, and reasonable in cost, a notice to proceed for the construction of work identified through a SAW innovative wastewater or stormwater technology grant must be issued within three years of grant award. If the testing and demonstration is not successful, there is no commitment to proceed with construction.

Grant Ineligible

- Permanent construction of the pilot technology

Application Guidance

The SAW program allows for grants to fund project costs related to the testing and demonstration of innovative wastewater and storm water technologies. Innovative technologies must meet one or more of the four listed criteria:

1. Those technologies influenced by climate and have not been previously used in Michigan or the region may be eligible. For instance, if a technology that is heavily temperature dependent and has been used in warmer climates but not yet in colder climates is proposed for testing and demonstration, it may be eligible for grant funding.
2. Other potentially eligible projects include those that have not been previously used in the United States,
3. An application of an existing technology applied to a different media, or
4. A technology that is applied to address a different type of pollutant than previously used for.

Eligible projects are expected to focus on a specific and existing water quality issue that needs to be addressed. For example, this may include a technology that provides better and/or more efficient treatment performance. The existing water quality issue should be documented with water quality data or other relevant information (this may include the DEQ Water Resources Division's Integrated Report, approved Total Maximum Daily Loads (TMDL) or watershed management plans, local health department records, compliance or enforcement documents, etc.). The explanation should clearly tie together how the innovative technology will address the existing water quality issue which has been identified.

A pilot study work plan is required to be submitted with the application. The pilot study should provide sufficient evaluation of the applicability, operational reliability and effectiveness of the innovative technology. This should be demonstrated with a prototype unit or process of sufficient size and designed to operate at its design load conditions.

To determine that such new processes and equipment or applications have a reasonable and substantial chance of success, the following should be considered when developing a pilot study plan:

- Evaluation and discussion of any related, existing performance data and manufacturer's information.
- A plan for monitoring observations, including test results and evaluations, demonstrating the efficiency and effectiveness of such processes or equipment.

THE FORM WILL NOT BE ACCEPTED IF IT HAS BEEN EDITED, ALTERED, RETYPED, OR CONVERTED TO ANY OTHER FORMAT.

- Detailed description of the test methods and their appropriateness.
- Testing, including appropriate sampling, under various ranges of strength and flow rates (including diurnal and/or seasonal variations) and temperatures over a sufficient length of time to demonstrate performance under climatic and other conditions which may be encountered in the area of the proposed installations.
- Other appropriate information.
- Coordination and approval by DEQ district engineers if there are temporary changes in the operation of a permitted facility or permitted discharge during pilot testing.

It is strongly recommended that applicants team with academic institutions to aid in development and completion of a pilot study.

DRAFT

APPENDIX F
Disadvantaged Community Status Determination Worksheet

The following data is required from each applicant that requests a disadvantaged community status determination:

1. Total amount of anticipated debt, including the estimated cost of the construction which is expected to result from this SAW grant application: \$_____.
2. Annual payment on the existing debt for the wastewater system: \$_____.
3. Total operation, maintenance and replacement expenses for the wastewater system on an annual basis once the proposed work is completed: \$_____.
4. Number of “residential equivalent users” in the system: _____.

The result of this determination will be temporary. The final determination of disadvantaged status will not be known until actual bid costs are submitted.

If you any questions about this worksheet, then contact Mr. Robert Schneider at 517-373-4761.



HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
From: Susan Nyquist, Chief Planner
Subject: Golf Update
Date: September 27, 2013

Action Requested: Motion to Receive and File the Golf Report as recommended by Susan Nyquist, Chief Planner and staff.

The company Return On Investment Golf Management (ROI) was retained to analyze individual course operations as self sustaining assets. Principals Bill Fountain and Bruce Matthews went to each Metropark golf course, met with park and course maintenance and operations staff, and followed up with recommendations impacting all the courses as well as recommendations for individual courses. Their observations, conclusions, and recommendations are included in this report. Based on their observations, they are recommending that the following eight goals can begin implementation in the 2014 season.

1. **Set goals and objectives** – Meet with the managers of each golf course to establish goals, objectives and management practices that will assure financial sustainability. The goal will be to reduce the overall grounds expenses by 10 percent and invest those dollars to clubhouse operations.
2. **Equipment, Carts and Parts** – The goal is to reduce the annual capital equipment expenditures by increasing the lifespan of the equipment.
3. **Fertilizer, Chemical and Seed** – Review fertilization, chemical and seed quantities and schedules at each course with the superintendents to prepare a program consistent with specific needs of each park. Implement a program consistent with each course based on market and income.
4. **Food and beverage** – Review food and beverage operations, determine a menu and hours of operation for the season that is proper for each facility, and price the items competitively based on the individual golf market.
5. **Marketing** – Prepare a marketing program at each course for implementation by staff members for the 2014 season.
6. **Pro Shop Merchandise** – Develop a purchasing program for all pro shops, ball, gloves, hats, some shirts, jackets. Set a budget at each course, have orders coordinated.
7. **Hudson Mills, Wolcott Mill** – Start with developing a program specific with these two courses. Spend the 2014 season concentrating on these two facilities increasing sustainability toward profitability.
8. **Willow** – Develop a comprehensive plan to address the drainage and bunker issues.

The following are highlights from the reports.

The golf industry is sailing rocky seas. The decade of 2000-2010 experienced a constricting economy, shifts in demographics, population decline and changing trends in recreational experiences. This followed a decade of golf course expansion surpassing latent demand. According to the National Golf Foundation, in the last five years golf has lost 4 million golfers in the United States. Presently there are more than 830 golf courses in the state; an over-supply with a declining demand.

The Metroparks has recognized potential issues affecting future golf course revenue and expenses. With declining revenue and use, the Metroparks must make necessary changes to the business plan to remain competitive in the market.

GENERAL OBSERVATIONS

- Stony Creek, Indian Springs and Kensington have been sustaining.
- The two par three courses, Wolcott Mill and Hudson Mills, are unsustainable.
- The entrances, parking lots and clubhouses were all neat, clean and inviting with ample size with the exception of Stony Creek which is insufficient during peak periods.
- Stony Creek, Kensington, Huron Meadows, Indian Springs and Hudson Mills have a variety of elevation changes, vegetation and good routing of golf holes. There are very few strategic holes for discriminating golfers.
- Willow, Lake Erie and Wolcott Mill are flat, near high water tables or rivers and have poor drainage that affects playability, number of rounds and level of maintenance.
- Huron Meadows has the most interesting design.
- Most courses suffer with drainage problems.
- Stony Creek has a green adjacent to a swamp with high maintenance costs and poor playability.
- Hudson Mills, Wolcott and Lake Erie have correctable drainage issues.
- Severe flooding and drainage problems at Willow cause playability problems.
- New tee locations for juniors, women and seniors should be considered.
- A golf course architect should prepare plans for long-range improvements.

The Market and Competition

- Metropark golf courses are the average course in the market.
- There are better designs and playing experiences that are higher priced.
- Private sector courses have been lowering prices for seniors and juniors.
- Prices are also fluid during the off-peak daytime hours.
- Stony Creek, Indian Springs, Huron Meadows and Kensington are located in areas of higher per capita income.
- Willow, Lake Erie, Hudson Mills and Wolcott Mill have the majority of rounds played by seniors. However, these courses are not a perceived value by the senior golfers as other comparable courses in the market area charge less.
- Hudson Mills lowered the senior rate this year at low-play periods to increase market share and revenues.

Revenues and Expenses

Rounds – 2012		Revenue – 2011		Expenses - 2011	
Stony Creek	35,201	Stony Creek	\$748,488	Willow	\$547,030
Kensington	33,380	Kensington	\$694,033	Kensington	\$491,860
Huron Meadows	25,639	Huron Meadows	\$590,497	Wolcott Mill	\$464,699
Indian Springs	23,664	Willow	\$555,111	Stony Creek	\$456,246
Lake Erie	21,004	Indian Springs	\$518,586	Lake Erie	\$446,269
Willow	20,406	Lake Erie	\$470,135	Indian Springs	\$416,395
Wolcott Mill	17,205	Wolcott Mill	\$365,842	Huron Meadows	\$411,448
Hudson Mills	15,636	Hudson Mills	\$325,377	Hudson Mills	\$396,636

Business Operations

- The golf courses are operated under the direction of the Park Manager who has many duties and cannot devote sufficient time to daily course operations.
- Part-time employees perform the day-to-day supervision in the clubhouses.
- Kosch Catering operates food and beverage service at the busiest courses.
- Food and beverage service at less busy courses are done in-house.
- The food and beverage revenues and expenses are separated from other golf income and expenses.
- All Metropark courses are operated and maintained at the same level.
- The history of pricing all courses the same rates for fees and goods puts some of the Metropark courses at a competitive disadvantage. Fees that work for a valued experience for a high population with disposable income does not work well at downriver courses in competitive markets hit hard by the local economy.

Conclusions - In response to declining use and revenue:

- Golf course operators across the state of Michigan have lowered operating budgets over the last 10 years.
- The Metroparks have lowered operational expenses as revenues have declined.
- Metroparks golf courses are dated in style and design. Courses built in the 1990's offer better strategy and excitement for the golfer and a better experience at the same price as Metropark courses.
- Additional soft goods, hats, a few shirts and golf balls in the pro shop will help provide a softer golf atmosphere in the clubhouse.
- Duplication of specialty maintenance equipment between golf courses should be explored.
- The longevity of equipment can be extended by relocating to less busy courses.
- Food and beverage should be part of the individual golf course budget, as both revenues and expenses.
- The golf courses should have a Long Range Plan by a Golf Course Architect.
- All of the courses need drainage improvements.
- Willow Golf Course and Wolcott Mill have floodplain issues and a Drainage Study with a Cost Analysis and Benefit should be undertaken.

Conclusions - In response to declining use and revenue (con't):

- The par 3 golf courses at Lake St. Clair and Lower Huron Metroparks should be closed. Revenues will not meet expenses. Disc golf on the same property can be a source of revenue with greatly reduced expenses.
- Wolcott Mill and Hudson Mills courses need in-depth attention this off-season with operation and marketing decisions to increase revenues.
- Metropark courses need to be priced for the individual market based on the experiences offered and competition price points. Golf, food and beverage can be higher priced in a more affluent Oakland County than a less affluent Wayne County.
- The golf course budgets allow for above average conditioning and cultural practices.
- The golf courses should be operated as a division unto itself. The golf business is a complex, year-round and more than a \$4.5 million operation. An experienced individual should lead the golf division setting policy and pricing in conjunction with the Director and Board of Commissioners to be competitive in each market area.
- A full time golf manager position is necessary for each golf course.
- A goal for the newly formed golf division is to increase the middle age and junior golfer.

Attachment: ROI Golf Management Contract

ROI Golf Management
9600 Crouse Road
Hartland, MI 48353
810-923-6016

September 27, 2013

Mr. John McCulloch, Director
Huron Clinton Metropark Authority
Administrative Office
13000 High Ridge Drive
Brighton, MI 48114

Director McCulloch:

Thank you for considering ROI Golf Management to assist the Huron Clinton Metropolitan Authority golf operations. It is our pleasure to present our Scope of Services for revamp and direction of Huron Clinton Metropark Authority golf course's for a period of one year, November 1, 2013-October 31, 2014. It is our common goal to maximize the potential use of each Metropark golf course under the auspices of being self sustaining with a majority of the effort being spent on the lowest producing courses. Based on our understanding, the attached scope of services details our efforts with the project. An approximate time line and anticipated hours per duty performed is also included. We will work diligently with Huron Clinton Metropark Authority to improve the methods and means of operations to increase long term revenue of the golf courses.

We will assist the Huron Clinton Metropark Authority with decisions regarding operations, personnel, food and beverage, golf course maintenance and equipment. The goal is to maximize revenue, minimize unnecessary expenses and increase play and golfer satisfaction on every Metropark golf course.

Established in 1993 in Lansing Michigan, ROI Golf Management has been involved in course construction and development, management and consulting for several golf courses, including Timber Ridge, El Dorado, Hawk Hollow, The Grand and The Majestic. Principal, William Fountain, has established best management practices for every aspect in the golf operation, including agronomic, food and beverage, pro shop, banquets and driving range.

To develop this strategy for success, ROI Golf Management will collaborate with W. Bruce Matthews of Matthews Design Group. Bruce has spent his entire life in the golf business. He has designed forty-five new courses and he has renovated over sixty. His designs have been nationally recognized for playability for both men and women. Bruce

Exhibit I

has operated a public golf course for 10 years transforming a previously failing business into a profitable venture in challenging times and also has a vested interest in three others. Bruce teaches golf course design and construction at Michigan State University and Beijing Forestry University, Beijing, China.

The success of any golf facility has a much greater chance for success if there is a clear mission and vision statement. Having everyone involved on the same page promotes consistency and unity as a team. We will offer actual solutions that are currently working at successful golf courses which will offer the Huron Clinton Metropolitan Authority a strategy to meet its long term goals. Together, Bill and Bruce bring a lifetime of experience from every aspect of the golf business. Our leadership and contacts in the golf business will provide many opportunities for success of the golf facilities.

Bill Fountain, ROI Golf Management will work with Bruce Matthews of Matthews Design Group and looks forward to working with the HCMA team to implement best practices throughout the golf organization.

Sincerely,

William Fountain
ROI Golf Management

Exhibit I

SCOPE OF SERVICES

All Courses

Set goals and objectives

The Director and Consultants will have an initial meeting with all managers of each golf course to discuss the goals and objectives of the Huron Clinton Metropark Authority golf courses. Sustainability goals of the golf operations will be provided. A clear direction of the process of management practices that will occur within the golf operation will be provided the managers. Processing and implementation will be covered with the managers.

The goal is to have all managers on the same page and have team members with common goals instead of individuals. Individual courses will need to be managed differently to meet a common success. There will need to be several meetings between the grounds department to come up with an overall plan for this department. All superintendents will have input and understand the goals and objectives of the Huron Clinton Metropark Authority Board.

The goal will be to reduce the overall grounds expenses by 10% and invest those dollars to clubhouse operations. This would be an approximate \$200,000 budget adjustment from grounds to clubhouse. The goal is to increase golf and food and beverage revenues with direction of a trained manager.

We will work with all superintendents to develop an amended budget at each facility.

Timeline- December 31, 2013

Meeting with director and management.....	16
Meetings with each facility, develop budgets.	100

Approximate hours-116

Exhibit I

Equipment, Carts and Parts

All course equipment and golf carts from each facility will be inventoried. Equipment and carts will be organized by type and age then distributed to the various facilities based on need with a goal to extend the lifespan of the individual piece of equipment. The goal is to reduce the annual capital equipment expenditures by increasing the lifespan of the equipment.

A. Coordination of equipment

- Re-assign equipment to golf courses based on maintenance need
- Assign equipment to golf courses for maximum lifespan, i.e. – new mower at Stony Creek for 2 years then to Wolcott Mill for 5-7 years
- Assign golf carts to golf courses for maximum lifespan, i.e.

B. Carts

- Assign golf carts to golf courses for maximum lifespan, i.e. – new carts at Kensington for 3 years then to Hudson Mills for 5-7 years.

C. Parts

- Work with an equipment distributor for preferred pricing on parts.

Following reallocation of equipment we will work with team members to see where specialty equipment can be shared between facilities and coordinated for use. Strategies for sharing resources for annual cultural practices such as aerification and topdressing will be implemented. A 5 year replacement program for equipment and golf carts will be prepared.

Timeline- March 1, 2014

Organize and prioritize, work with HCMA staff to develop a plan.

Approximate hours-60

Exhibit I

Fertilizer, Chemical and Seed

Review fertilization, chemical and seed quantities and schedules at each course with the superintendents to prepare a program consistent with each courses specific needs. Implement a program consistent with each course based on market and income. Review findings and revised application schedules with the Superintendents as a whole and each individual course to discuss and implement a program to meet the needs and budgetary restraints. Work as a group to develop and come up with a strategy as a whole. Look at all options.

Coordination of purchasing from individual distributors
-Fertilizer, pesticides, seed, sand, soil, topdressing sand

Approximate hours-60

Timeline- December 31, 2013

Food and beverage

Review food and beverage operations of all courses. Put together a menu and hours of operation for the season that is proper for each facility. Plan for menu items and price of products. Investigate a purchasing program for the organization. Price the items competitively based on the individual golf market.

Approximate hours-40

Timeline- March, 2014

Marketing

Prepare a marketing program at each course for implementation by staff members for the 2014 season. Prepare a marketing plan for the Novi Golf Show in March.

Initiate a marketing plan for each golf course
a. Plan to include internet marketing to individual golf course customers
-Email
-Golf Now

Exhibit I

- Partnering other Huron Clinton Metropark courses
- E-mail data base marketing

b. Local marketing by Huron Clinton Metropark employees to service organizations

- Golf Manager speaks to value of playing experience at local clubs
- Superintendent speaks to lawn care issues vs. golf course turf
- Involvement in local chambers of commerce

c. Develop a price of golf for each course

- Based on quality of experience
- Availability of tee times
- Local competitive courses
- Seasonal rates

Set benchmarks for increases in league play, outings, and regular play.

Approximate hours-160

Timeline- April 15, 2014

Pro Shop Merchandise

Develop a purchasing program for all pro shops, ball, gloves, hats, some shirts, jackets. Set a budget at each course, have orders coordinated.

Timeline - April 1, 2014

Approximate hours-24

Hudson Mills, Wolcott Mill

Start with developing a program specific with these two courses. Spend the 2014 season concentrating on these two facilities increasing sustainability toward profitability.

- A. Review operations budgets for – clubhouses
Coordination of purchasing – clubhouse

Exhibit I

-Food, beverage, soft goods with national accounts

Adjust labor/wages/skills to match demand by golfers

-Preliminary scheduling of time and talent

Assist in selection of Golf Course Manager position

-Job description of position

-Resume review

-Selection process, interviews

Provide an orientation to promote the entertainment side of the golf business to all team members

Review of positions

-Preliminary scheduling of time and talent

-Prepare job descriptions for personnel

-Review needs of mechanic position

-Is it necessary?

-How many are needed?

-Combine positions if possible within same market

B. Review of course during 30 week season

A member of R.O.I. will review all courses on a bi-weekly basis

-Review operations with Manager

-Review operations with Golf Course Superintendent

-Offer verbal and written directives and written record of meeting

Review course on an as-needed basis over and above the bi-weekly review during the 30 week season

Monthly progress report in collaboration with Golf Course Manager and Superintendent

-Progress of annual goals

-Revenue/expense

-Wants and needs

-Future monthly goal

Approximate time is visiting all courses bi-weekly 30 hours per week from March 15 thru October 2014.

Approximate hours-900

Timeline- Thru 2014

Exhibit I

Willow

Develop a comprehensive plan to address the drainage and bunker issues.

May, 2014

Hours as approved by HCMA

FEES OF SERVICES

The hours stated for this scope of work are approximate. As we start the process and implementation of our programs with the HCMA, any change in direction or amendment of the scope of work will be brought to the attention of the Director or his designated staff and the scope amended accordingly

The approximate hours to complete the proposed work are 1,360 hours. Willow Golf course drainage is in addition. We will utilize HCMA team members when possible for research and developing programs certain programs.

The fee for services will be based on an hourly basis plus expenses. The consulting management fee for Bill Fountain is \$75.00 per hour. The consulting fee for Bruce Matthews is \$75.00 per hour.

Approved reimbursable expenses and mileage will be billed at cost.

We are excited about working with Huron Clinton Metropark Authority improving the standings of the golf courses in their respective markets. Please sign this letter confirming of our understanding.

Representative: Huron Clinton Metropark
Authority

Dated: _____

William Fountain: ROI Golf Management

Dated: September 27, 2013

HURON-CLINTON METROPOLITAN AUTHORITY
 PROFESSIONAL SERVICES CONTRACT
 CONTRACT EXPIRATION DATE: December 31, 2014

This "Contract" made this 3rd day of October 2013 between the Huron-Clinton Metropolitan Authority ("HCMA"), a Michigan public body corporate, whose address is 13000 High Ridge Drive, Brighton, Michigan 48114, and ROI Golf Management, called "Consultant" (as further described in the following Table).

HURON-CLINTON METROPOLITAN AUTHORITY 13000 High Ridge Drive Brighton, MI 48226 Tel: (810) 227-2757 Fax: (810) 227-7512 (herein, the "HCMA")	ROI GOLF MANAGEMENT 9600 Crouse Road Hartland, Michigan 48353 Tel: (810) 923-6016 Tax Id. No.: _____ (herein the "CONSULTANT")
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This Contract is organized and divided into the following "Section" or "Sections" for the convenience of the Parties.

- SECTION 1. SCOPE OF CONSULTANT'S SERVICES
- SECTION 2. HCMA PAYMENT OBLIGATION FOR CONSULTANT'S SERVICES
- SECTION 3. CONTRACT EFFECTIVE DATE AND TERMINATION
- SECTION 4. CONSULTANT ASSURANCES AND WARRANTIES
- SECTION 5. CONSULTANT PROVIDED INSURANCE AND INDEMNIFICATION
- SECTION 6. CONTRACT DOCUMENTS, DEFINITIONS, AND GENERAL TERMS AND CONDITIONS

In consideration of the mutual promises, obligations, representations, and assurances in this Contract, the Parties agree to the following:

§1. SCOPE OF CONSULTANT'S SERVICES

Scope of Work – Attached hereto and made a part hereof as Exhibit "I" is Consultant's proposal dated September 27, 2013 and Scope of Work.

§2. HCMA PAYMENT OBLIGATIONS FOR CONSULTANT'S SERVICES

2.1. Except as otherwise expressly provided for in this Contract, the HCMA's sole financial obligation to the Consultant for any Consultant services under this Contract shall be:

2.1.1. Fees. Fees are as described in Exhibit I, Consultant's Proposal and Scope of Services dated September 27, 2013.

2.1.2. Expenses. It is understood by HCMA that the Consultant's rate does not include any out-of-pocket expenses incurred by Consultant including, but not limited to, professional liability insurance or other insurance required under this contract, telephone and facsimile charges, postage, copy charges and travel expenses incurred, if necessary, which will be invoiced in addition to the time expended provided that the Consultant secures the HCMA Contract Administrator's prior approval of such reimbursable expenses. Once approved, the Consultant shall identify each month a statement of reimbursable expenses for the preceding month. As part of this Contract, the HCMA may require Consultant to use HCMA-owned equipment and facilities in lieu of contractor incurring expenses.

2.1.3. No more than once a month, the Consultant shall submit an invoice to HCMA, which shall itemize all amounts due and/or owing by HCMA under this Contract, and payment terms as the date of the invoice. The invoices shall be submitted in the form requested by HCMA. HCMA shall have no obligation to make payment until a proper invoice of service is submitted. HCMA reserves the right to make partial payments on account of the amount due the Consultant as the work progresses.

2.2. Under no circumstances shall HCMA be responsible for any cost, fee, fine, penalty, or direct, indirect, special, incidental or consequential damages incurred or suffered by Consultant in connection with or resulting from the Consultant's providing any services under this Contract.

2.3. HCMA has the right to offset any amounts due and owing to the Consultant should the HCMA incur any cost associated with this Contract that is the obligations of Consultant under this Contract.

2.4. This Contract does not authorize any in-kind services by either Party, unless expressly provided herein.

§3. **CONTRACT EFFECTIVE DATE, TERMINATION NOTICES AND AMENDMENTS**

3.1. The effective date of this Contract shall be October 3, 2013 and unless otherwise terminated or canceled as provided below, it shall end at 11:59:59 p.m. on the "Contract Expiration Date" shown on the first page of this Contract, at which time this Contract expires without any further act or notice of either Party being required. The Parties are under no obligation to renew or extend this Contract after Contract Expiration Date. Notwithstanding the above, under no circumstances shall this Contract be effective and binding and no payments to the Consultant shall be due or owing for any Consultant services until and unless:

3.1.1. This Contract is signed by an employee of Consultant, legally authorized to bind the Consultant.

3.1.2. Any and all Certificates of Insurance and any other conditions precedent to the Contract have been submitted and accepted by the HCMA.

3.2. HCMA may terminate and/or cancel this Contract (or any part thereof) at any time during the term, any renewal, or any extension of this Contract, upon thirty (30) days written notice to the Consultant, for any reason, including convenience without incurring obligation or penalty of any kind. The effective date for termination or cancellation shall be clearly stated in the written notice.

3.3. HCMA's sole obligation in the event of termination is for payment for actual services rendered by the Consultant before the effective date of termination. Under no circumstances shall the HCMA be liable for any future loss of income, profits, any consequential damages or any loss of business opportunities, revenues, or any other economic

benefit Consultant may have realized but for the termination and/or cancellation of this Contract. HCMA shall not be obligated to pay Consultant any cancellation or termination fee if this Contract is cancelled or terminated as provided herein.

3.4. Consultant may terminate and/or cancel this Contract (or any part thereof) at anytime upon ninety (90) days written notice to HCMA, if HCMA defaults in any obligation contained herein, and within the ninety (90) notice period the HCMA has failed or has not attempted to cure any such default. The effective date of termination and/or cancellation and the specific alleged default shall be clearly stated in the written notice.

3.5. Notices. Notices given under this Contract shall be in writing and shall either be personally delivered, sent by express delivery service, or certified mail and addressed to the person listed below. Notice will be deemed given when one of the following occur: (1) the date of actual receipt; (2) the next business day when notice is sent express delivery service or personal delivery; or (3) three days after mailing first class or certified U.S. mail.

3.5.1. If notice is sent to the Consultant, it shall be addressed to:

*William Fountain
ROI Golf Management
9600 Crouse Road,
Hartland, MI 48353
Tel: (810) 923-6016
Email address: bfountain@majesticgolf.com*

3.5.2. If notice is sent the HCMA, it shall be addressed to:

*Carol Stone, Human Resources & Purchasing Director
Huron-Clinton Metropolitan Authority
13000 High Ridge Drive
Brighton, MI 48114
Tel: (810) 227-2757
Fax: (810) 227-7512
Email address: Carol.Stone@metroparks.com*

3.5.3. Either Party may change the address or individual to which notice is sent by notifying the other party in writing of the change.

3.6. Contract Modifications or Amendments. Any modifications, amendments, recessions, waivers, or releases to this Contract must be in writing and agreed to by both Parties. Unless otherwise agreed, the modification, amendment, recession, waiver, or release shall be signed by an expressly authorized Employee of Consultant and by the same person who signed the Contract for HCMA.

§4. CONSULTANT'S ASSURANCES AND WARRANTIES

4.1. Service Assurance. Consultant assures that all services performed hereunder will be performed in a manner that complies with all applicable laws, statutes, regulations, ordinances, and professional standards.

4.2. Business and Professional Licenses. The Consultant will obtain and maintain at all times during the term of this Contract all applicable business and professional licenses necessary to provide the contracted services.

- 4.3. Equipment and Supplies. The Consultant is responsible for providing equipment and supplies not expressly required to be provided by the HCMA herein.
- 4.4. Taxes. The Consultant shall pay, its own local, state and federal taxes, including without limitation, social security taxes, and unemployment compensation taxes. HCMA shall not be liable to or required to reimburse the Consultant for any federal, state and local taxes or fees of any kind.
- 4.5. Consultant's Incidental Expenses. Except as otherwise expressly provided in this Contract, the Consultant shall be solely responsible and liable for all costs and expenses incidental to the performance of all services for the HCMA including, but not limited to, any professional dues, association fees, license fees, fines, taxes, and penalties.
- 4.6. Consultant Employees.
- 4.6.1. Consultant shall employ and assign qualified employees as necessary and appropriate to provide the services under this Contract. Consultant shall ensure all Consultant's Employees have all the necessary knowledge, skill, and qualifications necessary to perform the required services and possess any necessary licenses, permits, certificates, and governmental authorizations as may required by law.
- 4.6.2. Consultant shall solely control, direct, and supervise all Consultant Employees with respect to all Consultant obligations under this Contract. Consultant will be solely responsible for and fully liable for the conduct and supervision of any Consultant's Employee
- 4.6.3. If requested by HCMA, all employees of Consultant shall wear and display appropriate HCMA-provided identification at all times while working on HCMA premises.
- 4.6.4. All employees of Consultant assigned to work under this Contract may, at the HCMA's discretion, be subject to a security check and clearance by HCMA.
- 4.7. Consultant Employee-Related Expenses. All employees of Consultant shall be employed at the Consultant's sole expense (including employment-related taxes and insurance) and the Consultant warrants that all of Consultant's Employees shall fully comply with and adhere to all of the terms of this Contract. Consultant shall indemnify and hold the HCMA harmless for all Claims (as defined in this Contract) against the HCMA by any Consultant Employee, arising out of any contract for hire or employer-employee relationship between the Consultant and any Consultant Employee, including, but not limited to, Worker's Compensation, disability pay or other insurance of any kind.
- 4.8. Full Knowledge of Service Expectations and Attendant Circumstances. Consultant warrants that before entering into this Contract, it had a full opportunity to review the proposed services, and review all HCMA requirements and/or expectations under this Contract. The Consultant is responsible for being adequately and properly prepared to execute this Contract. Consultant has satisfied itself in all material respects that it will be able to perform all obligations under the Contract as specified herein.
- 4.9. The Consultant's relationship to the HCMA is that of an Independent Contractor. Nothing in this Contract is intended to establish an employer-employee relationship between HCMA and either the Consultant or any Consultant Employee. All Consultant Employees assigned to provide services under this Contract by the Consultant shall, in all cases, be deemed employees of the Consultant and not employees, agents or sub-contractor of HCMA.

§5. **CONSULTANT PROVIDED INSURANCE AND INDEMNIFICATION**

5.1. Indemnification

- 5.1.1. Consultant shall indemnify, defend and hold HCMA harmless from any and all Claims (as defined in this Contract) which are incurred by or asserted against HCMA by any person or entity, alleged to have been caused or found to arise, from the negligent acts, performances, errors, or omissions of Consultant or Consultant's Employees, including, without limitation, all Claims relating to injury or death of any person or damage to any property.
- 5.1.2. The indemnification rights contained in this Contract are in excess and over and above any valid and collectible insurance rights/policies. During the term of this Contract, if the validity or collectability of the Consultant's insurance is disputed by the insurance company, the Consultant shall indemnify HCMA for all claims asserted against the HCMA and if the insurance company prevails, the Consultant shall indemnify the HCMA for uncollectable amounts.
- 5.1.3. Consultant shall have no rights against HCMA for any indemnification (e.g., contractual, equitable, or by implication), contribution, subrogation, and/or any other right to be reimbursed by HCMA except as expressly provided herein.
- 5.1.4. Consultant waives and releases all actions, liabilities and damage including any subrogated rights it may have against HCMA based upon any Claim brought against HCMA suffered by a Consultant Employee.

5.2. Consultant Provided Insurance

- 5.2.1. At all times during this Contract, including renewals or extensions, Consultant shall obtain and maintain professional liability insurance, workman's compensation insurance, comprehensive general liability insurance (including bodily injury liability and property damage liability) and separate auto liability insurance, all in limits and coverages as shall be acceptable to the HCMA. Certificates of insurance shall be supplied to the HCMA's Corporation Counsel for review and approval, and shall name the Huron-Clinton Metropolitan Authority as additional insured.

6. CONTRACT DOCUMENTS, DEFINITIONS AND GENERAL TERMS AND CONDITIONS

The following words and expressions when printed with the first letter capitalized as shown herein, whether used in the singular or plural, possessive or non-possessive, and/or either within or without quotation marks, shall be defined and interpreted as follows:

- 6.1 "Consultant Employee" means without limitation, any employees, officers, directors, members, managers, trustees, volunteers, attorneys, and representatives of Consultant, and also includes any licensees, concessionaires, subcontractors, independent contractors, Consultant's suppliers, subsidiaries, joint ventures or partners, and/or any such persons, successors or predecessors, employees, (whether such persons act or acted in their personal, representative or official capacities), and/or any and all persons acting by, through, under, or in concert with any of the above. "Consultant Employee" shall also include any person who was a Consultant Employee at anytime during the term of this contract but, for any reason, is no longer employed, appointed, or elected in that capacity.
- 6.2 "Claims" means any alleged losses, claims, complaints, demands for relief or damages, suits, causes of action, proceedings, judgments, deficiencies, liability, penalties, litigation, costs, and expenses, including, but not limited to, reimbursement for reasonable attorney fees, witness fees, court costs, investigation expenses, litigation expenses, amounts paid in settlement, and/or other amounts or liabilities of any kind which are imposed on, incurred by, or asserted against HCMA, or for which the HCMA may become legally and/or contractually obligated to pay or defend against, whether based upon any alleged violation of the federal or the state constitution, any federal or state statute, rule, regulation, or any alleged violation of federal or state

common law, whether any such claims are brought in law or equity, tort, contract, or otherwise, and/or whether commenced or threatened.

- 6.3 “HCMA” means the HCMA, a Michigan public body corporate, its respective appointed officers, official employees, committees, and “HCMA Agent” as defined below.
- 6.4 “HCMA Agent” means all appointed HCMA officials, officers, directors, board members, commissioners, HCMA employees, volunteers, representatives, and/or any such persons’ successors (whether such person act or acted in their personal representative or official capacities), and/or any persons acting by, through, under, or in concert with any of them. “HCMA Agent” shall also include any person who was a “HCMA Agent” anytime during the term of this Contract but, for any reason, is no longer employed, appointed, or serving as an Agent.
- 6.5 “Day” means any calendar day, which shall begin at 12:00:01 a.m. and end at 11:59:59 p.m.
- 6.6 Access to HCMA Facilities. While the Consultant retains the right to perform services at any time, the Consultant must obtain prior permission by HCMA for access to HCMA facilities after HCMA’s regular business hours.
- 6.7 Cumulative Remedies. A Party’s exercise of any remedy shall not preclude the exercise of any other remedies, all of which shall be cumulative. A Party shall have the right, in its sole discretion, to determine which remedies are to be exercised and in which order.
- 6.8 Survival of Terms and Conditions. The following terms and conditions shall survive and continue in full force beyond the termination and/or cancellation of this Contract (or any part thereof) until the terms and conditions are fully satisfied or expire by their very nature:
“CONSULTANT’S ASSURANCES AND WARRANTIES”;
“CONSULTANT PROVIDED INSURANCE AND INDEMNIFICATION”;
“DAMAGE CLEAN UP TO HCMA PROPERTY AND/OR PREMISES”;
“AUDIT”;
“SEVERABILITY”;
“GOVERNING LAW/CONSENT TO JURISDICTION AND VENUE”; AND
“SURVIVAL OF TERMS AND CONDITIONS”.
- 6.9 HCMA Right to Suspend Services. Upon written notice, HCMA may suspend performance of this Contract if Consultant has failed to comply with Federal, State, or Local laws, or any requirements contained in this Contract. The right to suspend services is in addition to the HCMA’s right to terminate and/or cancel this Contract. The HCMA shall incur no penalty, expense, or liability to Consultant if HCMA suspends services under this Section.
- 6.10 No Third Party Beneficiaries. Except as provided for the benefit of the Parties, this Contract does not and is not intended to create any obligation, duty, promise, contractual right or benefit, right to be indemnified, right to be subrogated to the Parties’ rights in this Contract, and/or any other right, in favor of any other person or entity.
- 6.11 Compliance with Laws. Consultant shall comply with all federal, state, and local laws, statutes, ordinances, regulations, insurance policy requirements, and requirements applicable to its activities under this Contract.
- 6.12 Permits and Licenses. Consultant shall be responsible for obtaining and maintaining throughout the term of this Contract all licenses, permits, certificates, and governmental authorizations necessary to perform all of its obligations under this Contract and to conduct business under this Contract. Upon request by HCMA,

Consultant shall furnish copies of any permit, license, certificate or governmental authorizations necessary to provide services under this Contract.

- 6.13 Discrimination. Consultant shall not discriminate against any employee or applicant for employment because of sex, race, religion, color, national origin, or handicap in violation of State and Federal law.
- 6.13.1 Consultant shall promptly notify the HCMA of any complaint or charge filed and/or determination by any Court or administrative agency of illegal discrimination by Consultant.
- 6.13.2 The HCMA, in its discretion, may consider any illegal discrimination described above as a breach of this Contract and may terminate or cancel this Contract immediately with notice.
- 6.14 Reservation of Rights. This Contract does not, and is not intended to impair, divest, delegate, or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty, or immunity of the HCMA.
- 6.15 Force Majeure. Notwithstanding any other term or provision of this Contract, neither Party shall be liable to the other for any failure of performance hereunder if such failure is due to any cause beyond the reasonable control of that Party and that Party cannot reasonably accommodate or mitigate the effects of any such cause. Such cause shall include, without limitation, acts of God, fire, explosion, vandalism, any law, order, regulation, direction, action, or request of the United States government or of any other government, national emergencies, insurrections, riots, wars, strikes, lockouts, work stoppages, or other labor difficulties. Reasonable notice shall be given to the affected Party of any such event. The Consultant is expected, through insurance or alternative temporary or emergency service arrangements, to continue its obligations under this contract in the event of a reasonably anticipated, insurable business risk such as business interruption and/or any insurable casualty or loss.
- 6.16 Conflict of Interest and Warranty. Pursuant to Public Act 317 and 318 of 1968, as amended (MCL 15.321, et seq.), no contracts shall be entered into between the HCMA, including all agencies and departments thereof, and any HCMA Agent. To avoid any real or perceived conflict of interest, Consultant shall identify any Consultant Employee or relative of Consultant's Employees who are presently employed by the HCMA. Consultant shall give HCMA notice if there are any HCMA Agents or relatives of HCMA Agents who are presently employed by Consultant.

Consultant warrants that before submitting its Proposal and/or entering into this Contract it has performed an inquiry within its firm to determine whether the Services to be provided under this Contract may pose a conflict of interest. For purposes of this Contract, a conflict of interest occurs when the Services to be provided conflict, are adversarial to, may influence Consultant's judgment or appear to influence Consultant's judgment or quality of Services under the contract with the Consultant's representation of other clients. Except as provided herein Consultant shall certify, to the best of its knowledge, to the HCMA that there are no Conflicts of Interest by providing the Services under this Contract.

If at anytime Consultant determines that there is a Conflict of Interest or potential Conflict of Interest then the Consultant shall disclose such Conflict of Interest(s) to the HCMA. The HCMA may request that the Consultant obtain a waiver or acknowledgment of the conflict from its client(s).

In the event that a Conflict of Interest arises in the course of providing Services under this Contract, Consultant may be required to withdraw from its representation of the HCMA and may be liable for incremental costs, if any, associated with HCMA having to engage another consulting firm to perform the Services under this contract.

- 6.17 Damage Clean up to HCMA or HCMA Property and/or Premises. Consultant shall be responsible for any unexpected and/or unnecessary damage to any HCMA property, its premises, that is caused by Consultant or Consultant's Employees at Consultant's expense. If damage occurs, Consultant shall make necessary repairs and/or replacements to the damaged property to the satisfaction of HCMA. If the damage cannot be completed to the HCMA's satisfaction, Consultant shall reimburse HCMA the actual cost for repairing or replacing the damage property. The Consultant shall be responsible for assuring that all HCMA sites are restored to their original condition.
- 6.18 Consultant Use of Confidential Information. The Consultant and/or Consultant Employees shall not reproduce, provide, disclose, or give access to Confidential Information to any third party, or to any Consultant Employee not having a legitimate need to know any such information and data, and shall not use the Confidential Information for any purpose other than performing its services under this Contract. Notwithstanding the foregoing, Consultant may disclose the Confidential Information if required by law, statute or other legal process; provided that Consultant (i) gives HCMA prompt written notice of an impending disclosure, (ii) provides reasonable assistance to HCMA in opposing or limiting the disclosure, and (iii) makes only such disclosure as is compelled or required.
- 6.18.1 This Contract imposes no obligation upon Consultant with respect to any Confidential Information which Consultant can establish by legally sufficient evidence: (i) was in the possession of, or was known by Consultant prior to its receipt from HCMA, without an obligation to maintain its confidentiality; or (ii) is obtained by Consultant from a third party having the right to disclose it, without an obligation to keep such information confidential.
- 6.18.2 As used in this Contract, Confidential Information means all information that HCMA is required or permitted by law to keep confidential.
- 6.19 Consultant Use of HCMA Licensed Software. In order for the Consultant to perform its services under this Contract, HCMA may permit Consultant or Consultant Employees to access certain copyrighted Software licensed to HCMA. Consultant or Consultant Employees shall not transfer, remove, use, copy, or otherwise provide or make available any such copyrighted Software or Documentation to any other person or entity, for any purpose, without the prior written consent of HCMA and/or the licensor. Furthermore, neither the Consultant nor Consultant Employee shall produce a source listing, decompile, disassemble, or otherwise reverse consultant any copyrighted Software. Neither the Consultant nor Consultant Employee shall use any copyrighted software contrary to the provisions of any applicable Software license agreement or state or federal law.
- 6.20 Grant Compliance. If any part of this Contract is supported or paid for with any state or federal funds granted to HCMA, the Consultant shall comply with all applicable grant requirements.
- 6.21 Contract Administrator. Each Party may designate an employee or agent to act as Contract Administrator. The HCMA's Contract Administrator shall be responsible for such activities as monitoring deliverables and funding, addressing the quality of services provided by the Consultant, reviewing invoices and submitting requests to the HCMA's procurement authority for any contract modification in accordance with Section 7.27 of this Agreement.
- 6.22 Dispute Resolution. All disputes arising under or relating to the execution, interpretation, performance, or nonperformance of this Contract involving or affecting the Parties may first be submitted to the respective Project Managers and Contract Administrators for possible resolution. The Project Managers and Contract Administrators may promptly meet and confer in an effort to resolve such dispute. If the Project Managers and Contract Administrators cannot resolve the dispute in five (5) business days, the dispute may be submitted to the signatories of this Contract or their successors in office. The signatories of this Agreement may meet promptly and confer in an effort to resolve such dispute.

- 6.23 Access and Records. Consultant will maintain accurate books and records in connection with the services provided under this Contract for 36 months after end of this Contract, and provide the HCMA with reasonable access to such book and records.
- 6.25 Audit. Consultant shall allow HCMA's auditing division, or an independent auditor hired by the HCMA, to perform finance compliance audits with the authority to access all pertinent records and interview any Consultant Employee throughout the term of this Contract, and for a period of three years after final payment.
- 6.25.1 Consultant shall explain any audit finding, questionable costs, or other Contract compliance deficiencies to the HCMA within forty-five (45) days of receiving the final audit report. Consultant's response shall include all necessary documents and information that refute the final audit report. Failure by Consultant to respond in writing within 45 days shall be deemed acceptance of the final audit report.
- 6.25.2 Costs of any audits conducted under this section will be borne by HCMA unless the audit discovers substantive findings related to fraud, misrepresentation, or non-performance. In which case, Consultant shall pay and HCMA may recoup costs of the audit work. Any adjustments and/or payments that must be made as a result of any such audit or inspection of Consultant's records shall be made within thirty (30) days from the presentation of HCMA's findings to Contractor.
- 6.26 Delegation /Subcontract/Assignment. Consultant shall not delegate, assign, or subcontract any obligations or rights under this Contract without the prior written consent of HCMA.
- 6.26.1 The rights and obligations under this Contract shall not be diminished in any manner by assignment, delegation or subcontract.
- 6.26.2 Any assignment, delegation, or subcontract by Consultant and approved by HCMA, must include a requirement that the assignee, delegee, or subcontractor will comply with the rights and obligations contained in this Contract.
- 6.26.3 The Consultant shall remain primarily liable for all work performed by any subcontractor. Consultant shall remain liable to HCMA for any obligations under the Contract not completely performed by any Consultant delegee or subcontractor.
- 6.26.4 Should a Subcontractor fail to provide the established level of service and response, the Consultant shall contract with another agency for these services in a timely manner. Any additional costs associated with securing a competent subcontractor shall be the sole responsibility of the Consultant.
- 6.26.5 This Contract cannot be sold.
- 6.26.6 In the event that a Petition in Bankruptcy is filed and there is an assignment of this Contract by a Court, HCMA may declare this Contract null and void.
- 6.27 Non Exclusive Contract. No provision in this Contract limits, or is intended to limit, in any way the Consultant's right to offer and provide its services to the general public, other business entities, municipalities, or governmental agencies during or after the term of this Contract. Similarly, this Contract is a non-exclusive agreement and the HCMA may freely engage other persons to perform the same work that the Consultant performs. Except as provided in this Contract, this Contract shall not be construed to guarantee the Consultant or any Consultant Employee any number of fixed or certain number or quantity of hours or services to be rendered to HCMA.
- 6.28 No Implied Waiver. Absent a written waiver, no act, failure, or delay by a Party to pursue or enforce any right or remedy under this Contract shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Contract. No waiver of any term, condition, or provision of this Contract, whether by conduct or otherwise, in one or more instances, shall be deemed or construed as a continuing waiver of

any term, condition, or provision of this Contract. No waiver by either Party shall subsequently affect its right to require strict performance of this Contract.

- 6.29 Severability. If a court of competent jurisdiction finds a term, condition, or provision of this Contract to be illegal or invalid, then the term, condition, or provision shall be deemed severed from this Contract. All other terms, conditions, and provisions of this Contract shall remain in full force and effect. Notwithstanding the above, if Consultant's promise to indemnify or hold the HCMA harmless is found illegal or invalid, Consultant shall contribute the maximum it is permitted to pay by law toward the payment and satisfaction of any Claims against HCMA.
- 6.30 Captions. The section and subsection numbers, captions, and any index to such sections and subsections contained in this Contract are intended for the convenience of the reader and are not intended to have any substantive meaning and shall not be interpreted to limit or modify any substantive provisions of this contract. Any use of the singular or plural number, any reference to the male, female, or neuter genders, and any possessive or nonpossessive use in this contract shall be deemed the appropriate plurality, gender or possession as the context requires.
- 6.31 Precedence of Documents. In the event of a conflict between the terms and conditions in any of the documents comprising this Contract, the conflict shall be resolved as follows:
- 6.31.1 The terms and conditions contained in this main Contract document shall prevail and take precedence over any allegedly conflicting provisions in all other Exhibits or documents.
- 6.32 Governing Laws/Consent to Jurisdiction and Venue. This Contract shall be governed, interpreted and enforced by the laws of the State of Michigan. Except as otherwise required by law or court rule, any action brought to enforce, interpret, or decide any Claim arising under or related to this Contract shall be brought in the 44th Judicial Circuit Court of the State of Michigan (Livingston County), the 53rd District Court of the State of Michigan, or the United States District Court for the Eastern District of Michigan, Southern Division, as dictated by the applicable jurisdiction of the court. Except as otherwise required by law or court rule, venue is proper in the courts set forth above. The choice of forum set forth above shall not be deemed to preclude the enforcement of any judgement obtained in such forum or taking action under this Contract to enforce such judgement in any appropriate jurisdiction.
- 6.33 Entire Contract. This Contract represents the entire Contract and understanding between the Parties. This Contract supercedes all other prior oral or written understandings, communications, agreements or Contracts between the Parties. The language of this Contract shall be construed as a whole according to its fair meaning, and not construed strictly for or against any Party.



Meeting of July 11, 2013

HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners
From: John P. McCulloch, Director
Subject: September Monthly Park Statistics
Date: September 27, 2013

Due to the timing of the October Board meeting, September financial information was not available before the Board packet distribution. Park statistics will be distributed at the Oct. 3 meeting.