

**MINUTES  
BOARD OF COMMISSIONERS MEETING  
HURON-CLINTON METROPOLITAN AUTHORITY  
THURSDAY, OCTOBER 14, 2010**

The regular meeting of the Huron-Clinton Metropolitan Authority's Board of Commissioners was held at 10:30 a.m. on Thursday, Oct. 14, 2010 at the Nature Center at Kensington Metropark. The meeting was convened in pursuance to a call thereof by the Executive Secretary and due notice to the HCMA Board of Commissioners.

Present:	<b>Commissioners:</b>	Harry E. Lester Robert W. Marans Anthony V. Marrocco John C. Hertel John E. La Belle
	<b>Staff Officers:</b>	
	Director	David C. Moilanen
	Deputy Director	Vacant
	Controller	David L. Wahl
	Executive Secretary	Gregory J. Almas
Others:	Legislative Consultant	George Carr
Absent:	Commissioner	Warren C. Evans
	Commissioner	Peter S. Walters

The meeting was called to order by Chairman Lester at 10:31 a.m.

**1. Chairman's Statement**

Chairman Lester observed a positive change in attitude and cooperative effort between staff and the Commission to continue to improve the Metroparks and serve the citizens of southeastern Michigan.

**2. Public Comments**

Thomas Haener, Southgate resident, inquired as to the reason the public was prohibited from using the boat ramp behind Oakwoods Nature Center.

Chairman Lester requested Haener provide his complaint in writing and the matter would be investigated.

**3. Minutes – September 2010**

It was moved by Commissioner Marrocco, supported by Commissioner Hertel that the Board of Commissioners approve the minutes for the Sept. 8, 2010 special meeting, the Sept. 8, 2010 closed session meeting, the Sept. 9, 2010 closed meeting and the Sept. 9, 2010 regular meeting as submitted.

Motion carried unanimously.

**4. Financial Statements – July 2010**

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

Motion carried unanimously.

**5. Vouchers**

It was moved by Commissioner Marans, supported by Commissioner La Belle that the vouchers for September 2010 (0212882 through 0213663) be approved as submitted.

Motion carried unanimously.

## 6. Purchases

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

Miscellaneous Quote 10-140  
ITB-10-034  
ITB-10-035

Engineering Computers  
Metroparks Guide  
Point of Sale Equipment for Golf Courses

Motion carried unanimously.

## 7. Appointments by the Board of Commissioners

It was moved by Commissioner Hertel, supported by Commissioner La Belle that the Board of Commissioners appoint David Moilanen to the position of Director.

### Roll Call Vote

Voting Yes: Commissioners Hertel, La Belle, Marrocco, Marans, Lester  
Voting No: None  
Absent: Commissioners Evans, Walters

Motion carried unanimously.

## 8. Reports

### A. Metro Beach

#### 1. Bids – Activity Center Dumpster Enclosure

Chief Engineer Michael Arens reported the project is to construct dumpster enclosure to serve the Activity Center, including masonry walls, gate and concrete slab and foundation.

It was moved by Commissioner Marrocco, supported by Commissioner Hertel that the Board of Commissioners accept the lowest responsive, responsible bidder, Buxton of Brighton Building, in the amount of \$11,750 and that \$6,000 of Capital Improvement funds be returned to the Reserve Account as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

#### 2. Agreement – Parkway Maintenance, Macomb County Road Commission

Director David Moilanen presented a proposed maintenance agreement with the Board of County Road Commissioners of Macomb County to maintain grass and weed control on Metropolitan Parkway from Jefferson to Schoenherr roads.

It was moved by Commissioner La Belle, supported by Commissioner Marrocco that the Board of Commissioners approve the Maintenance Agreement with the Board of County Road Commissioners of Macomb County for maintenance of Metropolitan Parkway for the period of Oct. 1, 2010 through Sept. 30, 2011 in the amount of \$42,101.11 as recommended by Director Moilanen and staff.

Motion carried unanimously.

### B. Stony Creek

#### 1. Bids – Sanitary Sewer Rehabilitation

Chief Engineer Arens reported the project is to provide cleaning, televising, cured-in-place lining and repairs of sanitary sewers in various locations in Stony Creek Metropark including West Branch to Baypoint: 8 inch full-length cured-in-place pipe, 1,500 lineal feet; Eastwood Beach to Boat Launch pump station: 10 inch and 12 inch sectional cured-in-place pipe with sectional repairs, various lengths; Park Office to Boat Launch pump station: 8 inch sectional cured-in-place pipe with sectional repairs, various lengths.

It was moved by Commissioner Marrocco, supported by Commissioner Marans that the Board of Commissioners award Contract No. 2-509-10A to the lowest responsive, responsible bidder, Liqui-Force Services (USA), Inc. in the amount of \$138,191.75, and that funding of this contract be provided through the Authority's Supplemental Major Maintenance Reserve Account, as recommended by Chief Engineer Arens and staff.

Motion carried unanimously.

## **8. Reports**

### **C. Indian Springs**

#### **1. Approval – Consolidating Nature Center and Environmental Discovery Center Operations**

Director Moilanen presented a proposal that the interpretive programming at the Indian Springs Nature Center be moved to the Environmental Discovery Center (EDC) and that part of the Nature Center building space be converted into the park office which would merge the interpretive programming under one roof at the EDC and allow for a central location for park accounting, police and visitor services at the Nature Center. Moilanen said the annual savings in wages and utilities are anticipated to be \$145,000.

It was moved by Commissioner Marans, supported by Commissioner La Belle that the Board of Commissioners approve consolidating the interpretive programming at Indian Springs Metropark into the Environmental Discovery Center and that the current Nature Center building be used as a combination park office and public exhibit and programming facility, as recommended by Director David Moilanen and staff.

Motion carried unanimously.

### **D. Administrative Office**

#### **1. Third Quarter, 2010 Appropriation Adjustments**

Controller David Wahl reported \$1,574,900 in Third Quarter Appropriation Adjustments were necessary to maintain compliance with line item appropriation limits. Wahl reported \$1,526,200 of the \$1,574,900 represents funds transferred between accounts; appropriations totaling \$48,700 represents funds transferred from the General Funds Reserve for Future Contingencies account including donations received, grant revenue received, emergency furnace repairs, unexpected deer management costs, Capital Improvement projects that came in over budget, and emergency storm clean-up costs at Stony Creek; and appropriated funds totaling \$62,700 were returned to the Reserve for Future Contingencies account including Retiree Health Care Trust contribution and Capital Improvement projects that came in under budget.

It was moved by Commissioner Marrocco, supported by Commissioner Hertel that the Board of Commissioners approve the Third Quarter 2010 Appropriation Adjustments as recommended by Controller Wahl and staff.

Motion carried unanimously.

#### **2. Hiring Full-time Marketing person**

It was moved by Commissioner Hertel, supported by Commissioner La Belle that the Board of Commissioners hire a full-time Director of Marketing and in addition to developing a marketing program, this person would also be responsible for the procurement of sponsors, the attraction and procurement of groups, corporations and organizations to conduct special events, and the creation and promotion of our own Metropark special events which would be paid for by sponsors; that the position be responsible to the Director with contact with the Board of Commissioners regarding sponsorship and event leads; and that the position be compensated at \$95,000 to \$105,000 dependent upon experience.

Commissioner La Belle commented on the valuable work of the Strategic Planning Committee and consultants. La Belle indicated their work is valid and their input and findings should be considered.

Commissioner Marans commented on the higher pay level of the position at a time of declining revenues. Marans indicated he would like staff input at the November 2010 regular meeting.

Commissioner Hertel indicated the Director of Marketing would take input from both the consultant and staff to determine what is realistic and available given current resources, that the position should enhance the budget and, if not, the person should be let go.

Commissioner Marrocco concurred with the position but expressed concern at the pay level.

It was moved by Commissioner Marans, supported by Commissioner Marrocco that the item – Hiring a Full-time Marketing Person be postponed to the November 2010 regular meeting of the Board of Commissioners.

Motion carried.

## **8. Reports**

### **D. Administrative Office**

#### **3. Pension Plan**

##### **a. 2010 Contribution**

Pension Trustee David Wahl reported the 2010 actuarial valuation of the Authority's Pension Plan performed by Gabriel, Roeder, Smith & Company (GRS) was reviewed by the Pension Committee prior to the Oct. 14 Board meeting.

Wahl stated that based on an update of employee census data for 2010 wage/service levels, plan benefits and asset values, GRS is recommending a contribution of \$2,146,504 for plan year Oct.1, 2010 to Sept. 30, 2011 which represents an increase of \$121,892 (6.0 percent) from 2009's contribution; is 15.08 percent of base wages, and results in a fund status of 69.15 percent.

It was moved by Commissioner Marans, supported by Commissioner La Belle that the Board of Commissioners approve a transfer of \$2,146,504 to the Huron-Clinton Metropolitan Authority Pension Fund as recommended by the Huron-Clinton Metropolitan Authority Pension Committee and Pension Trustee Wahl.

Motion carried unanimously.

##### **b. 2010 Investment Report**

Pension Trustee Wahl stated the 2010 Pension Plan contribution of \$2,146,504 represents the funds available for investment by the Pension Committee. Wahl reported \$1,846,504 of the deposit was placed into Lincoln's GA 760 administrative/investment contract and \$300,000 of the deposit will be placed into the EuroPacific fund.

In addition to investing the \$2.1 million deposit, Wahl report \$700,000 will be transferred from the Plan's short-term cash account to a new fund, DWS Alternative Asset Allocation Fund which is composed of nine different mutual funds, three exchange traded funds and a global strategy fund that provides extensive exposure to alternative asset classes including (1) commodities, (2) emerging markets, (3) floating rate loans, (4) real estate, (5) infrastructure, and (6) TIPS.

Wahl also said that after making these investments, the Plan's asset allocation mix would be approximately 32 percent guaranteed, 1 percent cash, 33 percent bonds and 34 percent equities which are within the parameters of the Board of Commissioners approved Investment Policy.

It was moved by Commissioner Marrocco, supported by Commissioner Marans that the Board of Commissioners receive and file this report as recommended by Pension Trustee Wahl.

Motion carried unanimously.

## 8. Reports

### D. Administrative Office

#### 4. Retiree Health Care Trust

##### a. 2010 Contribution

Plan Administrator Wahl reported the Retiree Health Care Board of Trustees retained Gabriel, Roeder, Smith & Company (GRS) in 2009 to perform an actuarial valuation of Authority Other Post Employment Benefits (OPEB's) and the Annual Required Contribution (ARC) for both 2009 and 2010. GRS calculated the Authority's OPEB's at \$40.7 million, the "unfunded accrued liability" at \$30.4 million and a 2010 ARC contribution of \$3,354,066.

Wahl said HCMA has transferred \$30,204 from Medicare Part D subsidy payments to the Retiree Health Care Trust Fund during 2010 reducing the 2010 ARC to \$3,232,862. Wahl further presented a detailed summary of appropriation transfers totaling \$361,900 which are necessary to redistribute budgeted funds into the correct operation expense accounts.

It was moved by Commissioner La Belle, supported by Commissioner Marans that the Board of Commissioners approve a transfer of \$3,323,862 to the Huron-Clinton Metropolitan Authority Retiree Health Care Trust Fund as recommended by the Retiree Health Care Trust Board of Trustees and Plan Administrator Wahl and to approve the appropriation transfers as presented by Controller Wahl and staff.

Motion carried unanimously.

##### b. 2010 Investment Report

Plan Administrator Wahl reported the 2010 Retiree Health Care Trust contribution of \$3,323,862 are the funds available for investment by the Retiree Health Care Trust Board of Trustees. Wahl indicated investment alternatives were reviewed by the Trust's investment advisor, Jay Yentis considering: (1) the parameters of the Trust's Investment Policy, (2) current positioning of Trust assets, (3) current market/interest rate conditions, (4) available investment options, and (5) cash flow needs.

Wahl also reported the Trust will place \$1,032,862 into the Vanguard Money Market account, \$1 million into a U.S. Agency backed note of a two-to-three year duration, \$250,000 into the new DWS Alternative Asset Allocation Fund and to maintain diversification allocations, \$1,050,000 of the deposit will be spread to the Trust's seven bond and equity funds.

Wahl said after making these investments, the Trust's asset allocation mix would be approximately 23 percent guaranteed, 28 percent bonds, 33 percent equities and 16 percent cash which are within the parameters of the Board of Commissioners approved Investment Policy.

It was moved by Commissioner La Belle, supported by Commissioner Marans that the Board of Commissioners receive and file this report as recommended by Plan Administrator Wahl.

Motion carried unanimously.

Administrator Wahl, on behalf of the retirees and employees, thanked the Board of Commissioners for their continued support in funding OPEB.

Commissioner Hertel exited the meeting room.

#### 5. Report – Four Year Strategic Plan, Hammond & Associates

Director Moilanen reported the Strategic Planning Steering Committee, comprised of employees representing a cross-section of HCMA staff and a representative for the Board, Commissioner Jack LaBelle, met a number of times through the summer and early fall to clarify goals, identify roadblocks and develop and prioritize task descriptions for the strategic plan. Moilanen said the group has now completed a draft of the strategic plan for Board review and input.

Consultants Chuck Hammond and Virginia Fallis presented the draft strategic plan. They identified six key strategic issues including (1) branding, marketing and identity, (2) establishing objectives designed to enhance the visitor experience, build better attendance and increase revenue, (3) maintaining the quality of our Parks, (4) ensuring the Parks remain visionary and establishing a legacy for the future, (5) changing our culture, and (6) seizing opportunities for increased and diversified funding streams.

Commissioner Marans observed the Strategic Plan implies expenditures in marketing research and recommended integration of the Strategic Plan and Organizational Steering Teams.

Commissioner Lester expressed caution regarding integration of the two committees due to hidden agendas in the Organizational plan.

Commissioner Lester thanked Commissioner La Belle on behalf of the Board for his valuable work on the Strategic Planning Committee.

Director Moilanen indicated he will contact commissioners for feedback and input.

It was moved by Commissioner La Belle, supported by Commissioner Marrocco that the Board of Commissioners receive and file the Metroparks Strategic Plan draft presented by Hammond and Associates as recommended by Director Moilanen and staff.

Motion carried unanimously.

## **8. Reports**

### **D. Administrative Office**

#### **6. 2011 Fees and Charges**

It was moved by Commissioner Marrocco, supported by Commissioner La Belle that the Board of Commissioners postpone item 2011 Fees and Charges until the November 2011 Board of Commissioners regular meeting.

Motion carried unanimously.

#### **7. Report – Fall Auction**

Purchasing Manager Scott Michael reported that the Authority had its Fall Surplus Equipment Auction at the Wolcott Mill Farm Learning Center on Sept. 11, 2010 and that the auction was well attended with more than 393 registered bidders and 166 lots sold with net proceeds to the Authority of \$243,682.

It was moved by Commissioner Marans, supported by Commissioner Marrocco that the Board of Commissioners receive and file the 2010 Fall Surplus Auction report as recommended by Purchasing Manager Michael and staff.

Motion carried unanimously.

#### **8. Donations**

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

- A \$350 donation made by Jan Masica for a tree to be planted at Hudson Mills.
- A \$400 bench donation made by Rosalie Pivatich for use at the East Boat launch at Kensington.
- A \$10,000 donation made by Recreational Equipment, Inc. to be used for stewardship programs at the Metroparks.

Motion carried unanimously.

## 8. Reports

### D. Administrative Office

#### 9. Legislative report

Legislative Consultant George Carr reported that the Legislature has adjourned for elections, indications are the economy is improving, the Legislature completed the 2010-2011 budget and the governor vetoed the Sunday liquor sales bill.

Carr further reported no legislation impacting the Metroparks passed prior to adjournment and Director Moilanen made a well-received presentation to the Michigan Natural Resource Trust Fund (MNRTF) commission regarding the Dexter to Hudson Mills trail.

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

Motion carried unanimously.

#### 9. Park/Department Presentation

##### a. Information Systems

Information Systems Manager Nolan Clark gave a brief presentation depicting the current state of the IT department and the network. Clark also reported a brief overview of some of the challenges facing the IT department.

##### b. Kensington Metropark Presentation

Park Superintendent Kimberly Jarvis presented a report of the various facilities and numerous special events offered at Kensington Metropark.

#### 10. Director's Comments

Director Moilanen reported on the Boy Scout Jamboree held at Willow Metropark with more than 5,500 Scouts attending and that Commissioner Marans and he will be attending the NRPA conference in Minneapolis.

Moilanen thanked the Board of Commissioners for their confidence in appointing him Director. He said he will work hard and will be communicative with the Board and will strive to create a positive, cohesive and optimistic work environment.

#### 11. Commissioner Comments

Commissioner Lester, on behalf of the Board of Commissioners, thanked and expressed appreciation for the service of Director Moilanen, especially over the past year.

#### 12. Motion to Adjourn

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

The meeting adjourned at 12:24 p.m.

Respectfully submitted,



Gregory J. Almas  
Executive Secretary