

Michigan State Waterways Commission
Minutes of December 12, 2008

Meeting Minutes of the Meeting of
Michigan State Waterways Commission
December 12, 2008

Country Inn and Suites by Carlson
6511 Centurion Drive
Lansing, Michigan 48917

A regular meeting of the Michigan State Waterways Commission was called to order by Chairperson Carol Oakley at 9:00 a.m. on Friday, December 12, 2008, at the Country Inn and Suites by Carlson, Lansing, Michigan. The following Commissioners were present:

Carol Oakley, Chairperson
Bob Brown
Mike Bryanton
Janet Mansfield
Robert Weiss

Commissioner Denny Bailey was excused.

Commissioner Curtis Hertel, Sr. was absent.

Department of Natural Resources (Department) Director Rebecca Humphries, Parks and Recreation Chief Ron Olson, and other Department staff were present.

Chairperson Carol Oakley welcomed Department Director Rebecca Humphries. Director Humphries thanked the Commission for its work regarding waterways issues.

Introduction of New Commissioner Robert E. Weiss

Chairperson Oakley introduced the Waterways Commission's newest member, Judge Robert E. Weiss. Judge Weiss is a boater, and is filling the position vacated by former Commissioner Bryan Amann.

Public Appearances:

Written Correspondence

There was no written correspondence.

Appearances (Non-agenda Items)

Ms. Debbie Mikula, Director, Howell Area Parks and Recreation, spoke on behalf of the City of Howell. The City is requesting a waiver in its Waterways Grant Agreement with regard to the rates charged for residents and non-residents to access the Howell Boat Launch. The City has a fee collection system in place for the four municipalities that use the launch. Due to increased use, the City added more parking spaces across the street from the boat launch, which cost about \$61,000. The City charges, what it considers to be, equal and reasonable fees for the four different municipalities (the City of Howell, Marion Township, Oceola Township, and Genoa Township), and is trying to balance local and State requirements. The boat launch sits in the City of Howell and each municipality contributes a different amount.

Chairperson Oakley stated that the Commission is not prepared to act at this time and wants this item on the agenda for the next meeting in February.

Mr. Stephen Hume spoke to the Commission to provide an update on Gray Haven. He stated that an engineering bid went out from the Department recently. Chairperson Oakley stated that this is still under litigation. Mr. Jason Fleming will speak with Mr. Hume following the Commission meeting.

Former Senator John Pridnia stated that last Friday (December 5, 2008) the Michigan Natural Resources Trust Fund (MNRTF) board granted the City of Port Austin a \$500,000 grant for the community portion of the renovation of the Port Austin Harbor. With that award, the City was able to declare that work will begin in the spring and will most likely be completed late next fall. Senator Pridnia thanked the Commission for their efforts. The City is waiting for the economic stimulus package to pass, but is very thankful for the funding that has been received. The City of Port Austin will ensure that the Department, MNRTF, and the Waterways Commission are recognized on the signage for the project when it is completed.

Minutes

October 3, 2008

MOTION: Commissioner Mansfield moved to approve the minutes of the October 3, 2008 Waterways Commission meeting. The motion was seconded by Commissioner Brown and carried unanimously.

Old Business

Project Status Report

Mr. Paul Petersen provided an update on harbors as follows:

Harbors:

- The project at Mackinaw City State Dock (in Cheboygan County) includes a harbormaster building, parking lot, utilities, wind turbines (4 now, eventually 8), and site improvements. It is now in Phase 3.
- The Cheboygan Lock & Dam (Cheboygan County) project included dam structural repairs, spillway and cribbing repair, buttress repair, and a lamprey trap. The project is complete and striping of the parking lot will occur in the spring.
- The project at Port Austin State Harbor (Huron County) consisted of seawall construction. It is now finished & and the grass seed is starting to take root.
- The project at Manistee Municipal Marina (a Grant-in Aid [GIA] facility in Manistee County), to construct a gas dock building, has been finished.
- The Port Huron River Street Marina (a GIA facility in St. Clair County) is undergoing its annual dredging project.

Mr. Jordan Byelich provided an update on boating access sites as follows:

Boating Access Sites (BAS):

- The project to construct Eight Point Lake BAS (in Clare County) is progressing. The consultant is on board (M.C Smith Associates), Preliminary and final engineering are scheduled for winter 2008/2009. Construction is anticipated to take place in 2009.
- A purchase is in process for a new BAS at Union Lake (in Oakland County) and development of a new BAS will follow. The new site is on the shore side of the road. The previous site will be sold to the township for a park, so the site will remain in general public use.

Mr. Bill Boik provided information on the following item:

- The Alanson Lock (in Emmet County) needs repair and replacement, which will be discussed later in the agenda. The following options are being considered:
 - A. Allocate \$226,896 from the 2009 lump sum capital outlay funds for emergency repairs.
 - B.
 1. Proceed with Option A.
 2. Raise fees incrementally to recoup 50% of extra costs.
 3. Request that Crooked Lake Owners Association contribute.
 4. Request funding assistance from Emmet County.

This item will be discussed further later in the meeting.

Operations Status Report

Mr. Harold Herta provided an update on operations as follows:

- Audit reports have begun for GIA facilities. There have been no significant material findings, only suggestions for improvements.
- Changes are occurring in the Central Reservation System (CRS). This is the most significant change in the history of the CRS. The CRS has gone from a 7-year old database to a state of the art database. This did not cost the Department anything, and was brought about due to a two-year contract extension. The point of sale system has been greatly enhanced and is now integrated as a part of the system (it used to be separate). It is being stressed that harbors should attend training this spring due to the new system.
- This has brought about changes for customers as there is now a shopping cart system, which brings the ability to plan a boating trip all in one transaction.
- Whenever possible, connections have been upgraded to DSL; because the satellite system has problems during bad weather.
- For GIA facilities, staff is working to improve the turn-around time for receiving revenues. Due to the delay, some communities use their own credit card system for fuel sales.

Standing Committee reports

There were no Standing Committee reports.

Strategic Planning Update

Ms. Vicki Anthes provided an update on the strategic planning process. Two days ago, the draft document was reviewed at the PRD Management Team meeting. The draft document; will be released to the public and stakeholders for review probably in late January. There have been no new changes. A number of internal subcommittees worked on the document. A copy will be provided to the Commission

New Business

Michigan Small Harbors Coalition

Mr. Chuck May, Chair of the Michigan Small Harbors Coalition (MSHC), spoke to the Commission regarding this organization for federally authorized shallow draft harbors. He wants to work with Commission to enlist its support. Mr. May introduced several people that work with the MSHC. The coalition is attempting to address infrastructure and dredging needs for these harbors. One-third of all U.S. registered boats are in the Great Lakes basin. Shallow draft harbors had no unified voice. Three statewide meetings have been held and

Mr. May shared a list of MSHC supporters. The MSHC is asking for the support of the Michigan State Waterways Commission. The next MSHC meeting is scheduled on January 27, 2009, in Mt. Pleasant.

Chairperson Oakley stated that this is long overdue. This type of request is normally submitted to a Committee, the Committee makes a recommendation to the Commission, and the Commission votes on the motion. The Commission would like to follow that process and plan to discuss this again at the February meeting.

Clarification of St. Ignace Request

Mr. Jason Fleming provided follow-up information from the last meeting regarding the St. Ignace request. St. Ignace would like to allow more seasonal slips and this was denied by the Federal government. The community decided to stay with their current method for seasonal slips.

Chairperson Oakley asked to pull the Alanson Lock discussion off of the Consent Agenda.

MOTION:

Commissioner Mansfield moved to approve all action items except Item for Alanson Lock. Commissioner Mike Bryanton seconded the motion and it carried unanimously.

Alanson Lock

Parks and Recreation Chief Ron Olson provided a review of the issues at the Alanson Lock. The Lock is in disrepair and Mr. Wayne Schloop from the U.S. Army Corps of Engineers (USACOE) addressed the Commission regarding the associated financial needs. A Congressional appropriation of \$354,000 is in place for the repair and the USACOE needs additional funds for the Lock. The USACOE is concerned about safety if additional funds are not available.

Last summer the State of Michigan supplied a spare gear after a previous gear snap. Mr. Schloop said that there is no braking mechanism and he recommends shutting down the Lock if assistance is not received. Commissioner Bryanton asked if the Commission would be reimbursed if money came through from Federal Economic Stimulus Package. Mr. Schloop said the USACOE does not have a mechanism to return funds as it is not a granting agency. Mr. Olson stated that the Department put this item in the economic stimulus package and this would be a contingency plan in case the money does not come through.

Mr. Bill Boik proposed a partnership with the USACOE- and that the Department could possibly direct the funds to another project later. Mr. Olson suggested putting a caveat in the resolution. Chairperson Oakley stated concern that this will continue each year because it is an old lock. She asked what kind of

assurance can be given that this will keep the lock in operation. Mr. Schloop believes this will be good for 20 or 30 years. Mr. Olson suggested raising fees on annual passages. Repayment could be spread out over ten years through funds from fees. Chairperson Oakley suggested recouping 50% from raising fees and asking the county to contribute the remaining 50%. Chairperson Oakley then suggested amending the resolution to change percentage recouped and the amount of time (100% and 10 to 20 years). Commissioner Bryanton asked about increases in costs (such as staffing). Mr. Olson said there shouldn't be a large increase, just a gradual one due to inflation.

Mr. Ron Olson will add a statement in the contract with the USACOE about funding being made whole if stimulus money (or other funding) comes through. Mr. Schloop stated that an escarole fund can be established for maintenance.

MOTION: Commissioner Brown moved to approve the resolution as revised. Commissioner Mansfield seconded the motion and it carried unanimously.

Resolution Honoring Former Commission Bryan Amann

Chairperson Oakley presented a resolution honoring former Commissioner Bryan Amann. Commissioner Mansfield moved to approve the resolution and it was seconded by Commissioner Brown. The motion was unanimously approved.

Proposed Meeting Dates and Locations for 2009

Commissioner Bryanton moved to approve the proposed meeting dates and locations. The motion was seconded by Commissioner Mansfield and approved unanimously.

Election of Officers

Chairperson

Commissioner Mansfield nominated Commissioner Bob Brown for Chairperson. The nomination was seconded by Commissioner Bryanton and carried unanimously.

Vice Chair

Commissioner Brown nominated Commissioner Mansfield for Vice Chair. The nomination was seconded by Commissioner Bryanton and carried unanimously.

Secretary

Commissioner Mansfield nominated Commissioner Bailey for Secretary. The nomination was seconded by Commissioner Brown and carried unanimously.

Other Business:

MOTION: Commissioner Brown moved to adjourn. The motion was seconded by Commissioner Mansfield and unanimously approved. This meeting of the Michigan State Waterways Commission was adjourned at 10:55.

The next meeting of the Michigan State Waterways Commission is scheduled for Friday, February 13, 2009, in the Lansing area.