

MINUTES

NATURAL RESOURCES COMMISSION

JUNE 4, 2009

LANSING CENTER
333 E. MICHIGAN
LANSING

PRESENT FOR THE NRC

Keith Charters, Chair
Frank Wheatlake, Vice-Chair
Mary Brown
Hurley Coleman
John Madigan
Tim Nichols
J. R. Richardson

PRESENT FOR STAFF

Peter Manning, Legal Counsel
Rebecca Humphries, Director
Rodney Stokes, Chief of Staff
Mindy Koch, Resource Management Deputy
Stacy Welling, Upper Peninsula Field Deputy
Dan Eichinger, Legislative Liaison
Teresa Gloden, Assistant to the NRC
Other DNR Staff

COMMITTEE OF THE WHOLE

Chairman Charters called the Committee of the Whole meeting of the Natural Resources Commission (NRC) to order at 3:10 p.m.

DIRECTOR'S ACTION

Director Humphries withdrew State Forest Land Exchange/Boundary Modification, Gladwin Management Unit-Clare and Gladwin counties, Land Transaction Case #20050535.

Director Humphries reviewed, "Dog Training Technical Amendment, Wildlife Conservation Order Amendment No. 15 of 2009, FOR INFORMATION ONLY." This proposed order will be up for action at the July meeting of the NRC.

Dennis Fox, Office of Communications, reviewed the Director's Action Item for "Leasing of Shooting Ranges, Bald Mountain Shooting Range Facility – Oakland County, and Island Lake Recreation Area Shooting Range Facility – Livingston County." Currently, the operations of the Island Lake Recreation Area shooting range are under contract. This proposed action item, if approved, would put the operation and maintenance of these facilities under one lease agreement for both facilities. The advantage of a lease would be to allow a longer lease timeframe and would make longer-term capital expenditures and infrastructure improvements on the facilities to be more cost effective. The term of the lease could be negotiated. If this action item is approved, the lease would be put out for competitive bid and the lessee would be in charge of operation and maintenance. The concept of private entities operating DNR shooting ranges is not a new concept. **Mr. Fox** said that bid documents will include a listing of items the DNR wants done at the facilities so all applicants will be bidding on the same criteria. Language is in the lease in the event of non-compliance. This lease will need to be in place, if approved, by September 30, 2009. He said since the facilities are State owned, the lease conditions can include requirements for the lessee to do certain things.

The next step, if approved by the Director, will be to put out a bid for a set time, conduct a mandatory walk-through of the facility, complete the "Request-for-Proposal (RFP)," complete staff review of the bids, then score out the bids.

A public hearing is scheduled at the Green Oak Township Hall on July 13 at 7:00 p.m. Although the hearing is not a specific requirement of the boilerplate language contained in Section 902 of 2008 PA 252, the DNR is holding the hearing to gather public comment on the future operation of the Ranges.

WASHINGTON, DC REPORT

Director Humphries reported that **Dennis Fox** attended the National Shooting Sports Foundation annual summit in Weston, Florida. **Carol Bambery** noted, in her report, that more than 150 individuals representing hunting and shooting organizations, state and federal game and fish agencies, and industry members were present. The goal of the Summit is a plan for increasing the number of participants in hunting and the shooting sports by 20 percent over the next five years. Five teams were created to discuss the following categories: Coordination of Effort; Youth Programs; Recruitment; Retention and Reactivation of Hunters/Shooters; and Access and Opportunity.

LEGISLATIVE UPDATE

Dan Eichinger, Legislative Liaison, reported on the following Bill activity:

HB 4897 (Sheltrown) - Makes revisions to the requirements for wearing hunter orange while in the pursuit of certain game. It exempts crossbow hunters from

wearing orange during the archery deer season and when attempting to take a bear or turkey with a crossbow. Additionally, it exempts a hunter from wearing hunter orange when they are stationary and in the pursuit of bobcat, coyote or fox.

HB 4411 (Sheltrown) - Would allow any individual with a disability, or over the age of 60, to ride an ATV on virtually all land under the management of the Department without restriction.

SB 349 (Barcia) – This bill was previously reported on, and was passed out of committee this week. Recall that this bill eliminates specific statutory references to discounts offered by the Department for licenses, enhancing our ability to more closely align discounting programs with license buying trends.

The House Agriculture Committee took additional testimony on the problem of feral swine and the Department continues to work with our counterparts at the Michigan Department of Agriculture to craft a solution to the threat posed by feral swine.

HB 4145 (Hansen) – This bill repeals a sunset clause in statute that allows local units of government to make special rules for lakes and it was passed by the Senate committee on May 13. The bill was returned to the House and has been presented to the Governor for her signature.

HB 4579 (Warren) - Gives the Natural Resources Commission the authority to make additions and deletions to the list of invasive species. The Commission on Agriculture has been delegated the authority to make additions and deletions to the invasive species list for insects and plants.

Commissioner Wheatlake said he is not supportive of any legislation that would reduce funding for the Pigeon River County State Forest programs.

STREAMLINING GOVERNMENT – THE SEVEN CORE FUNCTIONS OF GOVERNMENT

Director Humphries reviewed the proposal released by Lieutenant Governor John Cherry to streamline government. She said discussions have been held and the DNR will be mapping out programs along with authorities and staffing and create good understanding as the process proceeds. The Senate and House of Representatives both have reorganization plans in process – one of which is to recombine the DNR and Department of Environmental Quality. **Chairman Charters** has assured the Governor and Lieutenant Governor that the NRC would be a partner in the process rather than a barrier.

90th ANNIVERSARY OF THE MICHIGAN STATE PARKS

The kickoff for events in Michigan's State Parks to celebrate its 90th Anniversary is on June 20. A list of activities in the parks is available on the DNR web site.

HUNTING RECRUITMENT AND RETENTION

Director Humphries said that **Mark Damian Duda** will be presenting research on hunting and recreation recruitment and retention strategies on July 8 at the Lansing Center. Along with his presentation, he will provide an overview of hunting participation in the United States.

CONSERVATION OFFICER JOB ANALYSIS

Michael Comer, Michigan State Police, Behavioral Science, presented study results of a job analysis that was conducted evaluating the current duties and responsibilities performed by conservation officers at the 10, E11, and 12 levels working for the Michigan DNR. **John Van Hoesen, Human Resources Division**, discussed the job analysis results. Following are some of the highlights:

Job Duties, Responsibilities, and Tasks

- Hunting and fishing activities far outdistance all other activities on the list;
- Public presentations and classes are a valuable way to increase public interest in the resources and created long-term benefits by building knowledgeable and engaged customers;
- Generally, the types of activities performed by employees were consistent across geographic areas, but the manner in which they performed the work was different;
- Utilization of conservation officers for their general law enforcement roles increased as the assigned work area becomes more rural;
- With fewer law enforcement officers on duty, conservation officers are called more often for backup or may be first on the scene

Knowledge, Skills, Abilities, and Traits

- Characteristics that are typically not trainable, though they may be polished and developed;
- Expectation of high moral and ethical behavior in law enforcement personnel. In addition, the often solitary nature of the work necessitates a strong component of personal initiative and self-direction to ensure that the work is actually performed in an effective and efficient manner;
- While the vast majority of interactions are positive, conservation officers must be prepared to act decisively, if and when that becomes necessary.

Special Concerns

- Many times during the focus group process, there was discussion of the philosophical tension between the traditional “game warden” and the broader “law enforcement” roles of employees;
- Related to work environment and culture –
 - Not just a job, but lifestyle;
 - Many people know who you are and where you live;
 - Balancing the demands of family and work;
 - Limited or no back-up and the logistical challenges of operating in remote locations.

Director Humphries referred to the “Next Steps” in the process and recommended reviewing them. **Commissioner Wheatlake** questioned future funding for conservation officers. **Director Humphries** said officers are also considered general peace officers. If the DNR loses General Fund monies, the DNR will not have the money to perform back-up to other officers.

DNR RETIREMENTS

- **Jerry Harris, Chief, Human Resources**, retired on June 1;
- **Lynne Marla, Office of Communications and Becoming and Outdoors Woman Coordinator**, retired on June 1. **Sue Tabor** has replaced Ms. Marla.

NRC COMMITTEE APPOINTMENTS

Chairman Charters reviewed NRC committees and work group membership appointments as follows:

NRC Policy Committee on Finance and Administration:

Commissioner Wheatlake (Chair), Commissioner Nichols. Commissioner Madigan (alternate)

Upper Peninsula Habitat Work Group:

Commissioner Richardson (Chair), Commissioner Madigan. Commissioner Wheatlake (alternate)

NRC Policy Committee on Wildlife and Fisheries:

Commissioner Madigan (Chair), Commissioner Nichols. Commissioner Richardson (alternate)

Crossbow Disability Work Group: Commissioner Madigan, Commissioner Richardson (Co-Chairs) (Pat Spitzley DNR Staff) **DISBAND**

NRC Policy Committee on Land Management:

Commissioner Richardson (Chair), Commissioner Coleman, Commissioner Brown. Commissioner Charters (alternate)

NRC Policy Committee on Technology, Information, Marketing and Education:

Commissioner Brown (Chair), Commissioner Coleman, Commissioner Nichols. Commissioner Charters (Alternate)

NRC Policy Committee on Parks and Recreation

Commissioner Coleman (Chair), Commissioner Brown, Commissioner Charters

Ex officio Committee on Legislative Liaison:

All Commissioners.

OTHER COMMITTEE/WORK GROUP INVOLVEMENT

Ad hoc Committee on Policy Review:

Commissioner Charters (Chair), Commissioner Brown

Michigan Natural Resources Trust Fund Board:

Commissioner Charters represents the NRC

Pigeon River Country State Forest Concept of Management Work Group:

Director Humphries

Citizen's Committee for State Parks:

Mary Brown (ex-officio Member)

Forest Management Advisory Committee:

Commissioner Wheatlake

Snowmobile Advisory Committee:

Commissioner Wheatlake

STATE BUDGET CUTS

Director Humphries said state employees will be required to take six unpaid (furlough) days by the end of the Fiscal Year which is September 30. The dates are as follows: June 19, July 6 and 24, August 7 and 21, and September 4. Some DNR activities will function on these days such as: state parks and recreation areas and boating access sites will remain open with reduced staff; fish hatcheries will be maintained with limited staff; forest fire fighters will remain on call; some conservation officers will remain on duty; the Report-All-Poaching line will remain open with limited staff; and the Ralph A. MacMullan Center will

remain open. Staff is working on the Fiscal Year 2010 budget and said additional cuts will need to occur. **Director Humphries** commended DNR staff saying that, even though cuts are being made, a great deal of work is being done. She said the DNR employees are very dedicated to their work and thanked everyone.

2009 DIRECTOR'S AWARD – TRAPPER EDUCATION PROGRAM

The Director asked Adam Bump, Hannah Hjelsand, Brian Roell, Kelly Siciliano Carter, Rich Stowe and Shar McConeghy. (Rich Stowe was unable to attend). Over the past two years, these individuals, in addition to their regular job duties, formed the nucleus of our Michigan Trapper Education Program team. The program also was developed to inform all citizens of the interrelationship between wildlife management and responsible and ethical trapping practices. Their charge was to develop an education program for Michigan trappers that would accomplish three objectives:

- To successfully train knowledgeable, safe and responsible trappers;
- To recruit the most-qualified instructors available; and
- To provide them with the materials and training necessary to conduct future trapper education courses in Michigan.

Building such a comprehensive program was anything but simple. **Director Humphries** listed the specific responsibilities undertaken by each member, provided an understanding of the challenges they faced and appreciated the long hours they worked to achieve their goal.

Completion of their task also involved the development of a consultation team that included representatives from all four major trapping organizations in our state, three individual trappers and one statewide conservation officer. The input from these consultation sessions was used to complete a trapper education manual – the very first one for the state of Michigan. It includes 18 chapters and is 157 pages long.

The group then drafted an instructor's manual, plus a final policy and set of procedures for the Michigan trapper education program.

The specific responsibilities of each of the nominees included:

Adam Bump: Furbearer Management, Trapping Regulations and Best Management Practices; Furbearer Management Principles, Practices and Issues of Current State Management Programs; The Ability to Understand, Support and Comply with Trapping Regulations; and Animal Welfare, Trapping Efficiency, Selectivity, and Safety;

Valerie Frawley: Trapper Education Policy and Procedure; and Understanding the Purpose of Trapping and Trapper Education in Today's Society;

Hannah Hjelsand: Trapping Safety; and Understanding Potential Risks to Trappers' Personal Health, Safety and Welfare from Trapping Activities;

Brian Roell: Furbearer Regulations and Handling Fur; Understanding the Full Value of Harvested Furbearers; and Demonstrating the Knowledge, Skills, and Equipment Needed for Market Preparation;

Kelly Siciliano Carter: Teaching Overviews: How to Teach Adults versus Children; Understanding Different Teaching Methods; and Understanding Different Communication Styles.

Shar McConeghy: As the Hunter Education Program Coordinator, Shar has provided invaluable experience to the team on both the policies and procedures and the structure of the hunter education program. Shar also helped determine how portions of the hunter education program could be replicated for trapper education.

Rich Stowe: As an avid trapper, Rich Stowe, a conservation officer in northeast lower Michigan, provided an experienced perspective on law enforcement related to the promotion of ethical trapping.

To fund this educational program, the group worked with trapping partners to gather much-needed financial support. Without this help there would be no program. They also collaborated with the Office of Communications, Recruitment and Retention Section, to develop trapper education classes that will be offered alongside the DNR's successful hunter safety education program and other recreational safety classes.

Director Humphries presented each with a white pine "2009 Director's Award" plaque.

* * *

The Committee of the Whole meeting adjourned at 4:24 p.m.

CLOSED MEETING

Commissioner Madigan reported that the NRC went into closed session to discuss matters related to litigation at 4:35 p.m. and adjourned the closed session at 4:49 p.m.

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The Public Appearances portion of the meeting convened at 5:02 p.m.

PUBLIC APPEARANCES

Therese Kline, Michigan Trail Riders Association, commented on Senate Bill 496, the rider tag fee bill, written and submitted by Michigan Equine Partnership. Though she supports the concept of the bill, she recommended two issues be included: 1) compare snowmobile income to potential income from equine; and 2) consider the economical feasibility of maps, printed rules, printing the tags, distribution and enforcement of the bill. She said the bill, as written, does not speak to the special needs riders and overlooks that there are no equine-only trails in Michigan. She would like to see all non-motorized users to have an opportunity to weigh-in on decisions. **Ms. Kline** said she would be happy to participate in the decision-making committee.

NATIONAL ARCHERY IN THE SCHOOLS PROGRAM NATIONAL CHAMPION RECOGNITION

Director Humphries introduced **Jessica Nystrom**, who received the National Archery in the Schools Program (NASP) Archery World Record Award. Jessica, a 9th grade student at Hartland High School in Livingston County began her participation in archery two years ago when Hartland Middle School at Ore Creek joined the NASP.

The Hartland High School archery team, led by archery coach and science teacher Robert Jellison, participated in the NASP championship tournament which was held May 8-9, 2009, in Louisville, Kentucky.

Jessica, one of 138 Michigan students in the competition that drew nearly 5,000 students from across the U.S. and Canada, hit 28 of 30 bull's-eyes, and two nines, from 10 and 15 meters, to capture the national championship in the female High School Division with a score of 298 (out of a possible 300). Jessica's score was the highest score recorded in the tournament. In addition, Jessica set a new NASP female world archery record.

For her achievement, **Jessica** received more than \$40,000 in prizes, including a two-year scholarship to Hocking College in Ohio.

Director Humphries presented **Jessica** a white pine plaque for her outstanding accomplishments in archery and congratulated her on being the first NASP national champion from Michigan.

Mary Emmons, Office of Communications, said there are nearly 50,000, in the NASP program and Michigan is number two in the world. **Mary Brown and Mary Emmons** said equipment purchases are split 50/50 between the schools and the program sponsors.

PUBLIC APPEARANCES (continued)

Dave Nyberg, MUCC, said trail use is becoming contentious in the Legislature. The MUCC concerned that scientific management will be threatened. He said that MUCC would propose to help work with Legislators and staff to address these issues and believes Legislators are going to become more involved in resource management and should communicate and market resource management.

Jack Kleinhart, Clare, commented on the impact of the baiting and feeding ban. He said he has personally lost more than \$50,000 because of the ban. He commented on an article in Woods and Water magazine and asked that action be taken against the commenter. **Commissioner Brown** said differing opinions on issues are the difference between two sides of a line and that all sides are heard.

Ellen Nitz, Citizens for a Quiet Community, discussed the proposed lease for Island Lake Shooting Range and the Bald Mountain Shooting Range. She said that their group has been attempting for seven years to have the noise issues at Island Lake Shooting Range addressed, and she believes they have been ignored. She asked that the local residents be notified of the lease process.

Jeness Wiegand, Citizens for a Quiet Community, cannot understand why the DNR is attempting to draw more people to the shooting sport. She asked that the noise levels from the Island Lake Shooting Range be addressed.

Marilyn Carr, Citizens for a Quiet Community, does not believe the Island Lake Shooting Range is being monitored for safety, and expressed concern with lead deposits at the Range. She did admit that some of the changes being made by the DNR at the Range have lowered noise levels, but not enough.

John Caretti, Michigan Trappers Association, said he appreciates the work of the archery program, and supported the proposed furbearer regulations.

Mike Thorman, Michigan Hunting Dog Federation, said that nearly half of the Federation members are bird dog hunters. However, he urged caution in using baited sets that will lure dogs. **Commissioner Madigan** noted that currently, bait and no box is allowed. **Mr. Thorman** said he is not anti-trapping.

Tim Murray, a business owner affected by the baiting ban, said he was offended by the statement made in Woods and Water magazine about bait retailers being greedy. He recommended better public relations in the DNR.

Ed Nellist, Roscommon County Board of Commissioners, requests no antlerless licenses be issued on state or private lands in Roscommon County for the 2009 deer season, and he appreciates what is being done about coyotes.

Mark Bartholomew, Michigan Wildlife Business Association, discussed the article in Woods and Water magazine. He asked for a public apology by the commenter.

Director Humphries said that the comments made in the magazine were not the DNR's view or opinion. She did apologize for the comment in the magazine. She also noted that she is unsure if the quote was accurately reflected as she has been inaccurately quoted many times and often time quotes are taken out of context. **Director Humphries** reiterated that the comment was not an accurate reflection of the DNR's view.

Bob McReavy distributed the Ohio hunting guide and recommended that the Michigan DNR also make its hunting guides available at visitor centers. He said that Roscommon County deer numbers seem to be improving due to no antlerless licenses being issued in the County.

Mark Earl traps in Shiawassee and Genesee counties on private land. He supports being able to use a baited box with a 220 conibear trap and does not believe private lands should be regulated.

The Public Appearances portion of the meeting adjourned at 6:10 p.m. and the Regular Meeting of the NRC convened immediately thereafter.

APPROVAL OF MINUTES – MAY 7, 2009 NATURAL RESOURCES COMMISSION MEETING

Commissioner Brown made a motion, supported by Commissioner Coleman, for approval. Motion unanimously carried.

NATURAL RESOURCES COMMISSION POLICY 1010, APPEALS TO THE NATURAL RESOURCES COMMISSION

Commissioner Brown made a motion, supported by Commissioner Nichols, for approval. Motion unanimously carried.

FIELD TRIAL AREA REGULATIONS, WILDLIFE CONSERVATION ORDER AMENDMENT NO. 3 OF 2009

Commissioner Madigan made a motion, supported by Commissioner Coleman, for approval. Discussion: Harold Herta, Parks and Recreation Division, said, in order for the regulations to be enforceable, the area must be posted to identify the area.

The motion unanimously carried.

**MANAGEMENT OF WOLVES, WILDLIFE CONSERVATION ORDER,
AMENDMENT NO. 9 OF 2009**

Commissioner Madigan made a motion, supported by Commissioner Wheatlake, for approval. Motion unanimously carried.

**FURBEARER REGULATIONS, WILDLIFE CONSERVATION ORDER,
AMENDMENT NO. 10 OF 2009**

Commissioner Madigan made a motion, supported by Commissioner Nichols, for approval.

Discussion: The present amendment to Section 3.600 restricts the use of 200 size body gripping traps on public lands to vertical sets only. This change may unnecessarily restrict trapping opportunity on public lands.

Commissioner Madigan made a motion, supported by Commissioner Nichols, to amend Wildlife Conservation Order Amendment No. 10 of 2009 to allow the use of baited 220 size body gripping traps in horizontal ground and frozen water container sets on public lands following the container requirements as the present proposal states for 160 size traps. Following discussion, the motion failed 0-6. The recommendation was made to remove “horizontal” from the amended language.

Following discussion, **Commissioner Madigan made a motion, supported by Commissioner Nichols, to amend Wildlife Conservation Order Amendment No. 10 of 2009 to allow the use of baited 220 size body gripping traps on the ground and frozen water container sets on public lands following the container requirements as the present proposal states for 160 size traps. Motion unanimously carried.**

The motion made by Commissioner Madigan, supported by Commissioner Nichols, to approve Wildlife Conservation Order Amendment No. 10 of 2009, as amended, carried unanimously.

**DEER MANAGEMENT UNITS OPEN OR CLOSED TO ANTLERLESS DEER
LICENSES, WILDLIFE CONSERVATION ORDER AMENDMENT NO. 11 OF
2009**

Commissioner Madigan made a motion, supported by Commissioner Coleman, for approval. Motion unanimously carried.

**PURE MICHIGAN HUNT, WILDLIFE CONSERVATION ORDER, AMENDMENT
NO. 12 OF 2009**

Commissioner Madigan made a motion, supported by Commissioner Wheatlake, for approval. Director Humphries said the Pure Michigan Hunt will “roll out” in mid-July. This will enable staff to work with license dealers and to add it to the printed hunting guides. This program has been very successful in the western U.S. **Roll call was taken: Voting Yes: Commissioners Madigan, Nichols, Wheatlake, Coleman, and Richardson. Voting No: Commissioner Brown. Motion carried 5-1.**

DIRECTOR’S ACTION ITEMS

Director Humphries stated her intent to approve all Director’s Action Items **except State Forest Land Exchange and boundary Modification, Gladwin Management Unit – Clare and Gladwin Counties, Land Transaction Case #20050535** which was withdrawn.

Commissioner Coleman said he would be looking for a convincing argument that issuing a lease to the Island Lake Shooting Range and the Bald Mountain Shooting Range is the right thing to do.

COMMISSIONER REPORTS

Commissioner Wheatlake said the Snowmobile Advisory Committee will be meeting soon. He also mentioned that he has sandhill cranes nesting on his property.

Commissioner Coleman urged everyone to contact their Legislators to support the parks proposal as the parks are in need of additional funding.

The meeting adjourned at 6:40 p.m.

NRC POLICY COMMITTEE ON FINANCE AND ADMINISTRATION

MINUTES

The NRC Policy Committee on Finance and Administration convened at 1:45 p.m.

Sharon Schafer and Mark Bouvy, Office of Budget and Support Services, reviewed the DNR Spend Plan for May 2009. It can be viewed by accessing the following link:

http://www.michigan.gov/documents/dnr/TableofContentsJune42009_281409_7.pdf

Mr. Bouvy reported the estimated savings from the FY 2009 furlough days will total \$2.2 million of which \$154,000 is General Fund. The remaining (non-General Fund) fund savings will be evaluated to determine the appropriate amounts for each fund.

Lynne Boyd noted that the Forest Finance Authority projects will not all be completed due to the funding eliminated through Executive Order 2009-22.

Sharon Schafer said that the DNR has held positions open knowing that there would be budget reductions late this Fiscal Year. There are mandatory programs and projects the DNR must perform. Since the DNR has a low level of General Funds, savings from the furlough days in funds other than the General Fund could be applied to critical programs. She noted that the DNR has closed 12 state forest campgrounds. As an example, the funding for the red pine project was reduced, but the DNR is looking at other funding that is available to continue this program.

Chairman Charters said the cuts have been taken in the past that did not directly impact the public. The current cuts will impact the public. He noted that in the mid-1990s, the DNR had approximately 1800 employees. Currently, there are approximately 1380 DNR employees and the same level of work or more is being done.

Director Humphries said entire programs will now be eliminated due to the cuts. **Commissioner Coleman** commented on the impact on recreational opportunities and stressed the importance of assuring that these opportunities are not negatively impacted by the budget reductions. He said any reductions need to be articulated as to impacts on recreational opportunities in Michigan. **Commissioner Wheatlake** noted that the DNR will most likely always primarily depend on restricted funds. He stressed the importance of being creative with programs, growing a user base, and the need to be more competitive in outdoor recreation. **Director Humphries** said that DNR's priorities will be articulated.

AUDIT UPDATE

The DNR currently has audits in progress for state parks and state forest campgrounds, and expect another single audit to commence later this year.

INVESTMENT UPDATE

To access the “Department of Natural Resources Investments Questions and Answers” page on the DNR website, click on the following web address:

http://www.michigan.gov/documents/dnr/Investment_FAQs_6-4-09_update_281616_7.pdf

This site explains the DNR investments process and how these funds are utilized as well as the legal mandates on certain funds.

Woodrow “Woody” Tyler, Deputy Chief Investment Officer, Michigan Department of Treasury, presented and discussed the “Natural Resources Related Trust Funds Asset Allocation Review,” and the “Signs of Stability.” Both reports can be viewed at the following web address:

http://www.michigan.gov/documents/dnr/TreasuryPresentation6-09DNR_281620_7.pdf

Mr. Tyler reviewed each of the following funds, their current investment allocations and asset allocation targets:

- Game and Fish Protection Fund
- Game and Fish Protection Trust Fund
- Natural Resources Trust Fund
- State Parks Endowment Fund
- Nongame Fish and Wildlife Trust Fund

Commissioner Wheatlake noted that the asset allocations were set by the NRC. **Commissioner Coleman** reiterated the need for deliberate management of the funds.

Mr. Tyler said over the past year, the only positive returns were in common cash and bonds. All others were negative. **Commissioner Wheatlake** noted that the investments were authorized in 2002, and since that time, the overall rate of return is still positive. **Mr. Tyler** said there is evidence of an investments turn-around and the hope is that the market will bottom out in the next two quarters. However, he believes the recovery process will be moderate compared with previous economic recoveries. He recommended dollar cost averaging into

equity and bonds in order to build positions to targeted levels for each fund, and maintain corporate bonds.

The meeting adjourned at 2:50 p.m.

NRC POLICY COMMITTEE ON WILDLIFE AND FISHERIES

MINUTES

The meeting convened at 9:30 a.m.

Adam Bump, Wildlife Division, provided an overview of the proposed Bear Management Plan. Adam explained the public engagement process that was used to develop the plan, which included regional issues scoping meetings and the creation of a bear consultation team (BCT). The BCT consisted of 19 stakeholder groups who created a set of recommendations for the DNR. The plan went for public comment in February of 2009. Adam outlined the goals and objectives outlined within the plan.

Commissioner Madigan complimented the Wildlife Division for a job well done. He knows there was a lot of time put into the process.

Adam Bump presented the proposed furbearer regulations. There were five proposals originally recommended. Three have stayed the same; but two others are being amended. The following was proposed: increase in trap size; re-open coyote season; allow open water beaver snaring and change regulations on dryland body gripping traps, which would eliminate traps larger than 220s on dryland unless they are four feet above the ground; require baited 160s to be in a box on public land and allow 220s below four feet on public land if they are in a vertical box.

Discussion ensued between Adam and the Commissioners regarding the use of horizontal boxes with 220s on public lands. A member of one of the trapping associations discussed body gripping traps and believes they do not catch non-target animals when certain baits are used. The trapper doesn't know if these boxes will protect dogs because they have not been tested.

Commissioner Richardson asked if these regulations would be statewide and Adam replied, "Yes."

Harold Herta, Parks and Recreation Division, presented proposed changes to field trial regulations. These would restrict the killing of quail in a field trial area only during field trial events. Harold explained that the areas would be posted so hunters clearly understand the restrictions. However, other game animals could be hunted during this time and on this location.

John Niewoonder, Wildlife Division, provided a deer management plan update. John reiterated that purpose of the plan is to provide strategic guidance for the management of deer in Michigan. The process started in May 2008 when DNR and MUCC created a partnership to work on this endeavor. There was a public deer symposium in September 2008, which highlighted a variety of current

deer issues and management approaches. The Michigan Deer Advisory Team (DAT) was formed in October 2008. In February 2009, there were regional public and private meetings where specific stakeholders were invited. A conference call was held in May with tribes to understand any deer issues they may have. Michigan State University started a mail survey to capture the opinion of the general public related to deer management. The draft management plan should be completed in January 2010 with open-houses following. The intent is to have the plan ready for Director's approval in April 2010. John explained that the role of the DAT is to ensure that the planning process includes a broad spectrum of our key stakeholders; ensures that all critical deer management concepts are fully explored and considered; and helps integrate the information received throughout the planning process. The DAT will develop management recommendations for consideration by the DNR. There are about 26 active representatives. Issues have been identified and questions were asked to the DAT in order to facilitate discussion.

Brian Frawley, Wildlife Division, provided an overview of the 2008 deer harvest survey results. There was a one percent increase in license buyers, a seven percent increase in licenses sold and a four percent increase in harvest tags sold. The amount of hunters who went afield increased by two percent. Hunting success decreased by one percent, while the deer harvest increased by one percent. However, there was a seven percent drop in antlered deer harvest, and a twelve percent increase in antlerless harvest. New questions were on the survey about the antler restrictions in the Upper Peninsula. In response to the antler restriction changes, 50 percent of hunters statewide, and 56 percent in the Upper Peninsula supported the change.

Rodney Clute, Wildlife Division, explained the different variables the DNR considers when setting antlerless quotas. These variables include keeping the deer population within limits dictated by the carrying capacity of the range and by its effect on native plant communities, agricultural, horticultural, and silvicultural crops and public safety. Also, trend indicators such as car deer collisions are used. The DNR must look at long term trends because the data is so volatile. Hunter effort helps determine estimated populations levels as well. Rod explained the model that is used to recommend antlerless quotas.

Rod presented the following recommendations for the 2009 antlerless quotas: reducing the antlerless licenses in the Upper Peninsula by 5,000 fewer licenses, equating to about 34,000 licenses available. In northern Lower Peninsula, recommend adding 9,000 licenses. In southern Michigan, while the lower population than last year, the DNR proposed 60,000 additional private licenses to coincide with the large multi-county deer management unit.

Barb Avers, Wildlife Division, presented recommended changes to reserved waterfowl area regulations. The DNR has seven management areas with complex rules and regulations, but the DNR is striving to make regulations

consistent. The waterfowl task force was asked to review regulations, remove redundancies, and look for outdated information, edit incorrect information and removing administrative procedures. Common moorhen daily bag limit reduction is recommended because it has recently been placed on threatened species. This time of year we bring forward the Early Waterfowl Season Selections. Barb explained three recommendations for the early season: open goose season on September 16 and run the maximum days allowed, this recommendation is based on citizens waterfowl committee and this decision was unanimously supported. No change was requested to the Youth Waterfowl Weekend or an early goose season.

An additional recommendation includes removing language from the Land Use Orders yet remain in the Wildlife Conservation Order, such as a person shall not occupy a hunting zone, area, post, or blind, other than designate on the permit issued by the department. Also to be removed but left in the Administrative Rules, “a person shall not park outside the designated parking areas or on the areas posted against such use.”

Barb also provided a quick update on the resident Canada goose roundup situation. There are no out-of-state options, and the sustainable sites here instate are limited. The DNR is planning on euthanizing 500 geese and donating the meat to charitable organizations.

NRC POLICY COMMITTEE ON LAND MANAGEMENT

MINUTES

The meeting convened at 12:30 p.m.

Present:

Commissioner Keith Charters, Chair
Commissioner J. R. Richardson
Commissioner Mary Brown
Commissioner Frank Wheatlake
Commissioner Hurley Coleman
Commissioner Tim Nichols
Director Rebecca Humphries
Rodney Stokes, DNR, Chief of Staff
Mindy Koch, DNR, Resource Management Deputy
Dan Eichinger, DNR, Legislative Liaison
Stacy Welling, DNR, UP Field Deputy
Dave Freed, DNR, Office of Land and Facilities (OLAF)
Lynne Boyd, DNR, Forest, Mineral and Fire Management Division (FMFM)
Gary Hagler, DNR, Law Division
Kelley Smith, DNR, Fisheries Division
Pat Spitzley, DNR, Office of Legal Services
Jim Radabaugh, State Trails Coordinator, DNR, FMFM
Doug Reeves, DNR, Wildlife Division
Cindy Salmon, DNR, OLAF
Dennis Knapp, DNR, Executive Office
Paul Yauk, DNR, Parks and Recreation Division
LuAnn Klont, DNR, Office of Legal Services
Joe Taylor, DNR, Executive Office
Kelly Siciliano Carter, DNR, Wildlife
Ed Meadows, DNR, OLAF
Tom Wellman, DNR, FMFM

Tom Bailey, Little Traverse Conservancy
Mark Bartholomew, Michigan Wildlife and Business Association
Rich Bowman, The Nature Conservancy
John Caretti, Michigan Trappers Association
Jerry Crandall, MIRS
Jim De Clerck, Saginaw Field & Stream
Dale Hendershot, Michigan Trappers Association
Millard Holton, Ingham County sportsman
Katie Kahl, Heart of the Lakes
Chris Klaver, Gongwer
Jack Kleinhardt, Michigan Wildlife & Business Association
Rachel Kuntzsch, Heart of the Lakes

Frank Mortl, Michigan Oil and Gas Association
Tim Murray, Michigan Wildlife & Business Association
Michael Schippa, Michigan Trappers Association
Amy Spray, Michigan United Conservation Clubs
Gil Turner, Michigan Trappers Association
Jamie Wright, Gold Prospector's Association of America

Chairman Keith Charters called the meeting to order at 10:30 a.m.

NATURAL RESOURCES COMMISSION POLICY 1010 – APPEALS TO THE NRC

Pat Spitzley, Chief of Legal Services, noted this issue was before the NRC in May as an information item, and is on the Agenda for action.

The policy is divided into two sections:

- 1) Appeals of DNR decisions to deny issuance of licenses or permits. The applicant can appeal the denial to the NRC;
- 2) The second part covers if the department starts the process to revoke or change a permit, the applicant goes through a compliance hearing, then goes to an administrative law judge, and then the process for revocation of a license or permit. A proposal for decision is issued, and then the final decision is made by the Director. The applicant can then appeal to the NRC.

Two hearings before the NRC are scheduled – one in July and one in August.

Chairman Charters asked if DEQ has something similar to this. **Ms. Spitzley** said yes. **Mindy Koch** noted that the majority of permit denials go before an Administrative Law Judge.

Commissioner Mary Brown made a motion, supported by Commissioner J.R. Richardson, that this policy be approved by the Committee and forwarded to the full Commission for approval. Motion passed unanimously.

NRC POLICIES REVIEW

Chairman Charters noted that Commissioner Richardson has agreed to take over chair of this committee next month. **Commissioners Charters and Brown** will work with **Joe Taylor** to review and update all NRC Policies.

Joe Taylor distributed a table consisting of existing NRC policies. Review of the policies will be completed by the end of 2009.

TRAILS UPDATE

Jim Radabaugh, Forest, Mineral and Fire Management Division (FMFM), briefly reviewed state rail-trails or trailways that are built on abandoned railroad corridors. Currently there are 1,100 miles of rail-trails. Five state parks account for 200 miles of these trails.

There are several trail partnerships.

- The primary funding sources are the Michigan Natural Resources Trust Fund, Michigan Department of Transportation, the Land and Water Conservation Fund, the Recreation Improvement Fund, the Recreation Trails Program, and local community match programs.
- Friends groups are very valuable in purchasing/extending and maintaining trails. Soon the DNR will have 150 miles of contiguous trails in central lower Michigan, thanks to a “friends group.”

Mr. Radabaugh highlighted many new connection opportunities that the DNR is pursuing. The DNR’s trail system is primarily a multi-use system. In the UP, the trail system is primarily used by snowmobilers and ORV users. Many acquisitions are being reviewed to gain better connectivity.

The Kal-Haven Trail has received American Recovery and Reinvestment Act (Stimulus Act) money to pave a portion of the trail. The FMFM is working on trailheads in Mackinaw City, Cheboygan, and Millersburg. In Millersburg, an old depot at the trailhead is being restored.

Commissioner Coleman asked if there is a coordinated effort to consolidate trail management in the DNR. **Mr. Radabaugh** said yes, it is concentrated in the FMFM division. **Lynne Boyd** said the FMFM looks for connectivity of all trails, whether they are managed by FMFM, Parks and Recreation Division, or local governments. **Commissioner Wheatlake** noted that there will be a joint meeting between snowmobilers and off-road vehicle users to bring them together.

Commissioner Coleman said people are looking for recreation closer to home, and we need to bring all these users together.

Mindy Koch said an employee from the Office of Communication has been assigned to develop a communication strategy for all trails in the state of Michigan.

Commissioner Wheatlake, as Chairman of the Snowmobile Advisory Committee, said he would be happy to work with the Director in pursuit of getting all the groups together.

Commissioner Brown said she recently saw five types of non-motorized users on the Kal-Haven Trail in a two-mile stretch.

CONSERVATION EASEMENT UPDATE

Rodney Stokes, Chief of Staff, said this issue has been brought before this committee twice previously, and was taken to the Trust Fund Board which had no comment or issues. **Mr. Stokes** asked for the NRC's endorsement. **Katie Kahl** from Heart of the Lakes asked about requiring public access. **Tom Bailey** reiterated that some may be worthwhile even without public access, such as wildlife protection.

Commissioner Brown asked for clarification on what the policy says about public access. **Mindy Koch** said the policy requires public access, but there is allowance for an exemption.

Mr. Stokes said staff is asking for endorsement of a procedure to handle conservation easements and noted that purchasing a conservation easement is a Director's decision.

OIL AND GAS ROYALTY RATES

Tom Wellman discussed oil and gas royalty rates. There are two kinds of royalty rates used by various states: fixed rate and variable rates. Michigan currently uses a fixed royalty rate. If the DNR increases the royalty rate, it would not change the rate for existing leases. Michigan has a higher minimum bonus bid of \$10 (plus \$3 audit fee) for auction leases whereas many states have minimum bids in the \$1-\$2.50 (plus additional fees) range.

At the most recent auction, 67 percent of the offerings went no bid, and the average bid declined to \$20 per acre. This suggests that the oil and gas industry in Michigan is less robust than in the recent past.

Chairman Charters summarized his understanding that Michigan's royalty rate is on the high end and the DNR doesn't wish to raise it. This will be a topic of discussion at a future meeting of the Michigan Natural Resources Trust Fund Board. **Commissioner Brown** asked **Frank Mortl, Michigan Oil and Gas Association**, for comments. He responded the information provided was accurate.

Chairman Charters adjourned the meeting at 1:40 p.m.