

MICHIGAN NATURAL RESOURCES TRUST FUND

BOARD OF TRUSTEES MEETING

Minutes of February 3, 2010  
Lansing Center, Governor's Room, 333 E. Michigan Avenue, Lansing

The meeting of the Michigan Natural Resources Trust Fund (MNRTF) Board of Trustees commenced at 9:10 AM, February 3, 2010.

The following Board members were present:

Keith Charters  
Bob Garner  
Dennis Muchmore  
Lana Pollack

Mr. Frank Torre was not in attendance due to a prior commitment.

Also in attendance were various staff members of the Department of Natural Resources and Environment (DNRE) and other interested parties.

Chairperson Pollack asked Ms. Deborah Apostol, Unit Manager, Recreation Grants, Grants Management, DNRE, to introduce DNRE staff in attendance. Ms. Apostol introduced Linda Harlow, Jim Wood, Sam Duncan, Jule Stafford, and Shamika Askew-Storay of Grants Management; Rodney Stokes, Lake Erie Regional Director; Ed Meadows and David Freed, Office of Land and Facilities and Earl Flegler, Wildlife Division.

I. ADOPTION OF MINUTES FOR MEETING OF DECEMBER 1 AND 2, 2009.

Chairperson Pollack called for a motion to adopt the minutes from the December 1 and 2, 2009 MNRTF Board meeting.

**MOVED BY MR. GARNER, SUPPORTED BY MR. CHARTERS, TO APPROVE THE MINUTES OF THE DECEMBER 1 AND 2, 2009 MNRTF BOARD MEETING. PASSED WITHOUT DISSENTING VOTE.**

II. ADOPTION OF AGENDA FOR MEETING OF FEBRUARY 3, 2010.

Chairperson Pollack called for a motion to adopt the agenda for the February 3, 2010 MNRTF Board meeting.

**MOVED BY MR. GARNER, SUPPORTED BY MR. CHARTERS, TO ADOPT THE AGENDA FOR THE FEBRUARY 3, 2010 MNRTF BOARD MEETING. PASSED WITHOUT DISSENTING VOTE.**

### III. OLD BUSINESS.

#### June Meeting Location

Ms. Apostol advised the Board that the June meeting is traditionally held in either the Upper Peninsula or northern Lower Peninsula. Meeting locations suggested for this meeting are the City of Charlevoix or the City of Cheboygan.

Mr. Garner suggested that the June meeting be held in Indian River (Tuscarora Township). This location is right off of I-75 and the township has a very nice facility. In addition, the Board could visit two MNRTF projects.

The Board members all concurred to hold the meeting in Indian River at the Tuscarora Township Hall.

At this point, Mr. Jim Wood, Manager, Grants Management, DNRE, advised the Board that Ms. Shamika Askew-Storay is a Student Assistant and law student attending Cooley Law School. She will be assisting Grants Management with conversion issues. He also introduced Mr. Frank Ballo from the Kalamazoo District office, DNRE, who has been working with Grants Management staff on the Jean Klock Park mitigation parcels.

#### Jean Klock Park, City of Benton Harbor – UPDATE

Mr. Wood provided an update on the mitigation parcels for Jean Klock Park, City of Benton Harbor. This is a similar report that was made to the Board at the December 2, 2009 meeting. The workgroup, consisting of representatives from DNRE, Harbor Shores, and the City of Benton Harbor, met twice (December 16, 2009 and January 19, 2010) to discuss progress made on the mitigation sites.

These meetings were spent discussing the strategy that Harbor Shores will use to remediate contaminants existing on the mitigation sites. Remediation will include:

- Additional verification testing to more precisely define the extent of contaminants.
- Removal of soils in areas where contaminants exceed the residential criteria.
- Capping with materials appropriate to the intended uses of the sites.

Chairperson Pollack asked if the cleanup will cover the entire mitigation parcels, with the exception of the wetlands, and if this is being discussed in the workgroup meetings. Mr. Wood responded yes.

Mr. Wood stated that several of the site development issues were discussed at the meetings. These are:

- “First flush” basin located near the picnic area adjacent to holes #'s 7, 8 and 9—will continue, along with another smaller basin on the other side of the picnic area. This will control drainage from the picnic area between holes 7 and 9. A similar basin will be constructed on the golf course area to address drainage from the golf course. Basins located in the picnic area will be planted with emergent

wetland vegetation to provide a physical barrier to entry, improve water retention and make the area more attractive.

- ADA compliant access to the “bird watch tower”—plans drafted to create an ADA compliant walkway from the parking area to the bird watch tower.
- Measure to allow safe public crossing in front of the 9<sup>th</sup> tee for the pedestrian pathways—plans will use a lighted sign to notify pedestrians when it is safe to cross.
- Safe, clearly identified public access to the area along the northern edge of the park that has become isolated by the Grand Boulevard development and the 7<sup>th</sup> hold—plans are drafted to create a walkway that provides access to this area and will include signage welcoming the public to the area.
- Sections of the pedestrian pathway that will be shared with golf cart use—in these areas, steps will be taken to separate the general public and golf course uses. Signage will be developed to ensure the public understands that they are welcome in these areas.
- Additional access to the Paw Paw River along Parcel B—discussed, but plans not yet developed.
- Still to be addressed at a future meeting—the use of the area that appeared on earlier draft development plans as basketball courts; and modifications along mitigation parcel E to improve public safety and access.

Mr. Wood further stated the next meeting with the workgroup is planned for mid-March. He will provide the Board with an update at their April 7, 2010 meeting.

Mr. Charters asked about the additional access to the Paw Paw River along parcel B, which would include a water intake structure. He wondered if this was for the golf course. Mr. Wood is not sure what this is, but was put in as part of the Harbor Shores Development and is not a mitigation parcel and would expand the area. Before moving forward on this, the City of Benton Harbor wants to make sure that this will not endanger users.

Chairperson Pollack had a question that was posed by Mr. Torre, who is not in attendance at the meeting. Mr. Torre wondered if testing was done in the “first flush” basin because of concerns for potential runoff of pesticides or herbicides.

Chairperson Pollack had a question regarding Parcel H along the Paw Paw River and how this was appraised. She wanted to make sure that this property was accessible and reflects its \$700-800,000 value.

Chairperson Pollack also had a question about a parcel that was inaccessible because of the design of the golf course. This parcel was near a wetlands area. The public did not have access to it, although it was considered a mitigation parcel.

Mr. Wood will provide answers to these questions at the April 7, 2010 Board meeting.

At this point, Chairperson Pollack asked Ms. Nicole Moon of ProtectJKP or others involved with the Jean Klock Park conversion/mitigation issues to make their presentations.

Ms. Nicole Moon, ProtectJKP

Ms. Nicole Moon of ProtectJKP made a presentation regarding the conversion/mitigation issues involved with Jean Klock Park.

The Board has expressed the fact that there is nothing more they can do but move forward to correct the issues at hand. It is felt that the Board should adhere to their Policy 93.1, which Ms. Moon feels was not implemented.

Ms. Moon had the following questions:

- What is the schedule for completion of assessment and clean up actions, and where is the discussion of how these actions will impact the long-term recreational use of these parcels? What is the cost and who will be held liable to ensure these parcels are safe in perpetuity? Is there a written commitment?
- Why has the project been allowed to proceed solely on conceptual drawings?
- Where are the actual construction plans and maps of trails and mitigation parcels? Where are the actual construction plans and maps of what remains of the park?
- Why is the Board allowing the additional destruction of what remains of the dunes to create access to parcels that were never really intended to be viable within the boundary of Jean Klock Park? Why is the public being denied involvement in the discussion and corrective review process?
- Why is Mr. Wood allowed to be the “watchdog” of the project?

Ms. Moon asked the Board to allow her to take them on a tour of the park to show and explain these issues and concerns.

Ms. Moon provided the Board with additional information regarding the mitigation parcels and overall project which she requested be entered into the record.

Chairperson Pollack stated that it was her understanding that in resculpting the dune area that became the golf course, that fill was brought in that was contaminated. This area now has remnants of castings, metals, etc. She wondered if there was an action that the DNRE would be obligated to take in regards to the contamination. Mr. Frank Ballo responded that he has not seen the material in question. If there is reason to believe that something is contaminated, this could be verified with samplings and whoever was responsible for the contamination would need to take care of it. Chairperson Pollack expects the DNRE to take a look at this area and verify if the area is contaminated.

#### IV. NEW BUSINESS.

##### Board Policy Review

Ms. Apostol advised the Board that they have received a copy of the Board Policies and Procedures booklet (IC1917) in their materials. There is a current list of current MNRTF policies and procedures as of February, 2006. Policies and procedures have been adopted from 1991 through 2000.

Ms. Apostol asked the Board to look over the Policies and Procedures booklet to identify any policies or procedures that staff should make additions, deletions or revisions and provide information by the April 7, 2010 meeting. The goal is to have this booklet revised by the August meeting for discussion, with formal adoption at the October or December meeting(s).

Chairperson Pollack requested that Board members provide any comments to staff via email to move revisions along in a timely manner.

##### Board Bylaws Review

Mr. Garner stated that seven or eight years ago the issue of the chair of the Board being able to vote on motions was brought up for a possible change in the bylaws. The chair at the time wished to delay any change to this bylaw. Mr. Garner supports a change in the bylaws to allow the chair of the Board to vote on motions. Mr. Charters strongly supports this change, as well.

**MOVED BY MR. GARNER, SUPPORTED BY MR. CHARTERS, TO AMEND THE MICHIGAN NATURAL RESOURCES TRUST FUND BOARD BYLAWS, ARTICLE III, SECTION 1, PARAGRAPH 1, TO READ AS FOLLOWS: "THE CHAIRPERSON SHALL NORMALLY REPRESENT THE BOARD AT SUCH OFFICIAL FUNCTIONS AS THE BOARD SHALL SPECIFY. THE CHAIRPERSON SHALL BE CHARGED WITH THE RESPONSIBILITY OF CALLING FOR SUCH REGULAR AND SPECIAL MEETINGS OF THE BOARD AS ARE NECESSARY TO ENABLE THE BOARD TO CARRY OUT ITS ASSIGNED DUTIES AND RESPONSIBILITIES. THE CHAIRPERSON SHALL PRESIDE AT ALL SUCH MEETINGS. THE CHAIRPERSON MAY VOTE ON ANY QUESTION BEFORE THE BOARD." PASSED WITHOUT DISSENTING VOTE.**

#### STATUS REPORTS.

##### DNRE Real Estate Report – State Acquisitions

Mr. Ed Meadows, Section Manager, Real Estate Services Section, Office of Land and Facilities, DNRE, stated that there were seven acquisitions that have been optioned in the report provided to the Board.

Mr. Meadows also commented that the bill containing the MNRTF 2009 projects is moving along in the Legislature. Ms. Apostol added that the bill has been passed by the Senate, but not the House. The Joint Capital Outlay Committee took up the bill on

January 21, 2010. This afternoon (February 3) the Senate Appropriations Committee is scheduled to take up the bill.

Mr. Meadows further stated that on the reports which cover lump sum and line item projects, there are a number of projects that are waiting to be closed or for Director's approval. This would change the funding balances of open projects.

Mr. Garner asked about the adjoining property in Wexford County next to Mitchell State Park and wondered about the status. The last he was aware the DNRE was waiting for an appraisal. Mr. Meadows responded the appraisal is in and there is a meeting scheduled for tomorrow afternoon.

Mr. Charters asked if the Waterloo Recreational Land Initiative (gravel pit) was a "done deal." Mr. Meadows responded no. The Director has approved the acceptance of the gift, but the terms of the mining lease called for the company to have all necessary permits through the local township. Mr. Charters asked if the township was supportive. Mr. Meadows responded that a meeting was held January 19. Representatives of the DNRE were in attendance. The township was generally supportive, but there were questions related to the hours of operation, etc.

At this point, Chairperson Pollack returned to "New Business."

TF96-215, Watershed Township Park and TF97-136, Watershed Township Park (Fore Lakes Township Park), Addison Township – **CONVERSION**

Mr. Wood advised the Board that they are not being asked to take any action on this proposed conversion today. Addison Township has provided much of the documentation. There is a small issue with the appraisal that needs to be worked out.

At this point, Mr. Bruce Pearson, Supervisor of Addison Township, outlined the proposed conversion. The township has had the watershed park for ten years. Watershed boundary signs are in place so visitors do not set foot on private property. The property is 229 acres.

The replacement parcel would be a 110 x 110 waterfront parcel. The township is asking for the conversion of a 100 x 100 parcel in the parking lot next to Rochester Road. This is an inaccessible piece of property with guardrails. The purpose of the conversion is to enter into a long-term lease with Verizon Wireless for a cellular phone tower.

Mr. Rodney Blaszyk from Addison Township made some further comments on the conversion via a map. Chairperson Pollack asked if the cell tower would be fenced and protected. Mr. Blaszyk responded yes. These concerns were addressed by the citizens in the surrounding areas. The township has a commitment from Verizon that trees will be put up around the area.

Mr. Charters thought this proposed conversion sounded similar to the Haithco Recreation Area property in Saginaw County. He asked how that issue was resolved. Mr. Stokes responded he does not remember how it was resolved, but will check on this and let the Board know. Before a decision is made on the Addison Township conversion, Mr. Charters wants to know how the Haithco Recreation Area issue was resolved.

Chairperson Pollack asked how much income the township would receive from Verizon per year. Mr. Pearson responded approximately \$20,000 per year over 20 years.

Mr. Pearson continued by stating new signs and a parking lot were put in over a year ago. Money was put into the budget for the park. Mr. Charters wondered if hunting was allowed. Mr. Blaszyk responded yes, in the Lake George area, where a sportsmen's club is being proposed to help manage access for hunting and to be handicap accessible. The area would also be open for fishing and waterways activities as well. Mr. Pearson added that because the top portion of the park has a trails system is why it is not open for hunting.

Mr. Pearson further stated that the park is now being used, and are even thinking of expanding it.

Mr. Garner asked if there were issues from the public with the proposed conversion. Mr. Pearson responded that there were a couple of issues, but they were resolved. There is no cell phone coverage in the area. There is no 911 service.

Chairperson Pollack wondered if the existence of the cell tower would diminish the scenic value of the property. Mr. Blaszyk responded no one likes to see cell towers, but he believes the greatest benefit is for the township residents to have the tower. Chairperson Pollack asked if this is the only area that this cell tower could be placed. Mr. Pearson responded that Verizon has been trying for ten years to find a location. Areas were identified in the Village of Leonard, but none met the village ordinances. There were no other options.

Chairperson Pollack stated she is reluctant to approve conversions for non-park purposes that diminish the natural beauty of the area that was purchased for this reason. It is not the MNRTF Board's responsibility to make cell phone coverage available. She suggested perhaps the cell phone tower could be put in the Lapeer area. She realizes the \$20,000 per year revenue would be welcomed, but it is not a sufficient reason for the Board to allow the conversion for a cell tower. Mr. Pearson responded that the township would be getting in exchange a much more desirable piece of property. There is an opportunity to expand the park and provide benches and handicapped accessible docks.

Mr. Muchmore asked if the township can find a way to fund the park system themselves. Mr. Pearson responded the township has many volunteers assisting in the park. The township buys the materials and the labor is free.

At this point, Chairperson Pollack returned to "Status Reports."

### Completed Projects Report

Ms. Apostol stated that six projects were completed. She pointed out that the City of Detroit's Dequindre Cut Greenway Improvements (TF04-176) was completed. This is the project that the Board toured last year. Mr. Stokes added that DNRE will take ownership of the connector strip property from the City of Detroit and it will be developed as part of the trail. This will connect Dequindre and Milliken State Park.

### Financial Report

No discussion.

### Open Projects Status Report

No discussion.

### MNRTF Lump Sum and Line Item Department Projects

Mr. Charters asked about the TF05-147, State Trailways Initiative project, as it is indicated it expired in 2009 and there was a balance of \$631,731 remaining to be spent. He wondered if that money lapsed back to the MNRTF. Ms. Stafford responded that DNRE gets an automatic extra year to spend the funds. Mr. Charters asked if a local unit of government would get an extra year. Mr. Stokes responded that it is the appropriation that gets the extra year; however, both the DNRE and local units are expected to finish their projects within a three-year period for development projects.

Ms. Stafford also stated that there are two trails acquisition projects that are in the process of closing at this time which will close out TF05-147. The appropriation was carried forward as there was one local unit who still had not completed their project.

Mr. Charters asked about TF06-134, State Trailways Acquisition Initiative, which has a balance of \$1,493,570. Ms. Stafford responded that the DNRE is working to complete this project, as well.

Mr. Charters asked if the new Trails Advisory Committee would make a difference on completion of trails projects in a timelier manner. Mr. Stokes did not think so in terms of dollars that are appropriated, but may establish priorities for trails.

### Grants Management Outreach Report

Ms. Apostol advised the Board that in addition to the meetings attended by staff outlined in the report, Grants Management has scheduled several recreation grant workshops. Workshops have been held in Iron Mountain (January 20) and Inkster (January 28). Dates and locations of the upcoming recreation workshops are February 10 (Grayling) and February 17 (Lansing). A press release was issued on the dates/locations of workshops, as well as being posted on the DNRE website.

Chairperson Pollack stated that the Board is very pleased with the progress being made at these outreach meetings.

At this point, Mr. Stokes outlined the appraisal process. Mr. Charters raised this issue at the last Board meeting. It was expressed that the appraisal process was slowing up the closing of projects and reimbursements. The major concern was the reimbursement of the project once the property had been purchased. Mr. David Freed, Chief of Office of Land and Facilities spoke to the Grand Traverse Conservancy to get their thoughts on same-day closings. Upon the DNRE investigating this process, in the MNRTF statute it states that the grant program is a "reimbursable" program. DNRE staff also had discussions with Office of Internal Audit, and by doing a same-day closing, this created

problems because when a project is closed the deed needs to be recorded and the check must go through a cancellation process with the bank.

Mr. Stokes has asked DNRE auditors to look at instances where same-day closings have been done (escrow closings) and make an analysis and recommendations. They are in the process of doing this review.

Mr. Charters congratulated Mr. Stokes on his new appointment as Lake Erie Region Regional Director.

At this point, Mr. Garner left the meeting due to other commitments.

## VI. PUBLIC APPEARANCES.

### Mr. Gary Dunham – 09-085, Gold 'N Silver Park Acquisition, Golden Township

Mr. Gary Dunham, a business owner in Silver Lake, made a presentation on 09-085, Gold 'N Silver Park Acquisition, Golden Township. The acquisition project was not recommended for funding in 2009. Mr. Dunham was asking for assistance to help improve the project.

In 2003, several business owners, community leaders and citizens came up with a project called "Silver Lake 2010." There were eight different parts to the project. One has become the "Corridor" project (three miles of roadway through Silver Lake, three miles of bike paths, crosswalks, etc.). Another was the "Park" project (09-085). There was a dwindling amount of space in the area for green space.

Mr. Dunham stated that the project scored at the top of the eight highest acquisitions for 2009. It was his understanding the reason the project was not recommended was because of an issue of approving the property appraisal. The township wishes to submit an application for 2010 for reconsideration and have set up a contract with an appraisal company to do another appraisal. He pointed out that even though there is a downturn in property values throughout Michigan, there is still a high tax assessment in the Silver Lake area (close to sand dunes and Lake Michigan).

Mr. Muchmore stated that he had a hard time voting on a project for \$480,000 for a one-acre lot which was situated in a beautiful area, but not on a lake itself. He believes the appraisal is the issue in this situation.

Mr. Stokes stated that Grants Management staff can provide technical assistance to the township on their application. In addition, DNRE Real Estate staff may be able to provide some assistance.

### Mr. Jerry Jaloszynski, Clinton County Green Space Commission Coordinator – Urban Area Recreation Opportunities Scoring Criteria

Mr. Jerry Jaloszynski, Clinton County Green Space Commission Coordinator, made a presentation regarding the urban area recreation opportunities scoring criteria. Clinton County does not meet this classification and he believes it is very narrowly defined.

Clinton County submitted a 2009 acquisition grant application for 260 additional acres of Motz Park, an existing 42-acre park. The county lies within 23 miles of the City of Lansing. Because the project is not located within a “core city” or “urbanized area,” the project received 0 points in this category, with a possible 40 points available. In addition, the project would be classified as a Board Priority, with a possible 50 points available in that category.

The recommendations that came from the County Board of Commissioners and the Green Space Commission were:

1. Rather than award points for a narrowly defined urban area that points be awarded on the basis of distance from project location to urban population centers.
2. If a project is a Board Priority, the characteristic should not also be included in the scoring system or its value in the regular system, but should be reduced to where it is not an overwhelming factor.

Clinton County is largely an agricultural area with very few water features. To have water-based recreation, the county has had to look at gravel pits. The county has a willing seller who has made a commitment to hold the property for one more year.

Chairperson Pollack stated that the MNRTF has funded the county in the past. Mr. Jaloszynski responded that the MNRTF funded the acquisition and development, along with the Kellogg Foundation, of the 42-acre Motz Park. There will be a June 12, 2010 dedication of the park.

Chairperson Pollack responded to the urban area scoring criteria. Every year the Board evaluates and prioritizes the scoring criteria. She stated this is not an urban park. She appreciated the comments that Mr. Jaloszynski made and they are noted.

Mr. Muchmore added that putting \$2 million into the county’s park project last year would have been difficult as the MNRTF Board had less money to allocate. If the project would have been funded, seven projects that scored as well as Clinton County’s would not have received a grant. In addition, Sleepy Hollow State Park is not far from the county’s park.

#### Commissioner Juanita Henry – Jean Klock Park, City of Benton Harbor

Commissioner Juanita Henry, City of Benton Harbor, stated that she was pleased to hear that some of the safety issues concerning the conversion and mitigation of Jean Klock Park were being addressed. Safety is one of her number one factors for visitors to the park, as well as the golf course.

Commissioner Henry was also pleased to hear that the contaminated areas were being discussed. She did not understand the reason for the expansion of the “first flush” basin. She feels this is an additional safety issue.

Chairperson Pollack commented that Mr. Wood’s report indicated progress being made for the conversion and mitigation of Jean Klock Park, but the MNRTF Board and the DNRE is not going to accept an agreement with Harbor Shores. The agreement will be

with the City of Benton Harbor and Harbor Shores. The city will need to agree on the "first flush" basins and safety issues with Harbor Shores.

Commissioner Henry wanted to be informed of future meetings discussing these issues.

VII. OTHER MATTERS AS ARE PROPERLY BROUGHT BEFORE THE BOARD.

Ms. Jule Stafford stated that she attended a meeting of the Southwest Michigan Planning Commission in Dowagiac. She presented the Board with the "Intergovernmental Effort Award." This was in collaboration with Silver Creek Township and the City of Dowagiac. Both of these grants were closed last September.

Ms. Deborah Apostol read a letter from Elmwood Township. The DeYoung Natural Area Acquisition project (TF07-039) closed last week, and the township wanted to express their thanks for the funding for this project. The township also expressed their thanks to Grant Coordinator Linda Hegstrom for all her assistance.

VIII. ANNOUNCEMENTS.

The next meeting of the Michigan Natural Resources Trust Fund Board is scheduled for 9:00 AM, Wednesday, April 7, 2010, Lansing Community College West Campus, 5708 Cornerstone, Lansing, Michigan.

IX. ADJOURNMENT.

**MOVED BY MR. CHARTERS, SUPPORTED BY MR. MUCHMORE, TO  
ADJOURN THE MEETING. PASSED WITHOUT DISSENTING VOTE.**

The meeting was adjourned at 11:22 AM.

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Lana Pollack, Chairperson  
Michigan Natural Resources Trust Fund  
Board of Trustees

\_\_\_\_\_  
James Wood, Manager  
Grants Management

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DATE