

MICHIGAN NATURAL RESOURCES TRUST FUND

BOARD OF TRUSTEES MEETING

Minutes of August 19, 2015
DNR Outdoor Adventure Center, 1801 Atwater Street, Detroit
9:00 AM

The meeting of the Michigan Natural Resources Trust Fund ((MNRTF) Board of Trustees commenced at 9:00 AM, Wednesday, August 19, 2015.

The following Board members were present:

Brad Canale
Keith Creagh
Sam Cummings
Steve Hamp
Erin McDonough

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

Ms. Linda Walter, Director of the DNR Outdoor Adventure Center, welcomed the MNRTF Board members, staff and audience to the center.

I. ADOPTION OF MINUTES FOR MEETING OF JUNE 17, 2015.

Chairperson Canale called for the adoption of the minutes for the June 17, 2015 MNRTF Board meeting.

**MOVED BY DIRECTOR CREAGH, SUPPORTED BY MR. CUMMINGS, TO ADOPT THE MINUTES OF THE JUNE 17, 2015 MNRTF BOARD MEETING.
MOTION PASSED WITHOUT DISSENTING VOTE.**

II. ADOPTION OF AGENDA FOR MEETING OF AUGUST 19, 2015.

Chairperson Canale called for the adoption of the agenda for the August 19, 2015 MNRTF Board meeting.

**MOVED BY MR. CUMMINGS, SUPPORTED BY MR. HAMP, TO ADOPT THE AGENDA FOR THE AUGUST 19, 2015 MNRTF BOARD MEETING.
MOTION PASSED WITHOUT DISSENTING VOTE.**

III. INTRODUCTIONS.

The Board members introduced themselves.

Mr. Steve DeBrabander, Manager, Grants Management Section, Finance and Operations Division, DNR, introduced himself and the Grants Management Section staff: Mr. Jon Mayes (Unit Manager, MNRTF), Ms. Linda Harlow (Administrative Assistant to staff and Board), Mr. Chip Kosloski (Grant Coordinator), Ms. Merrie Carlock (Grant Coordinator), Ms. Amy Matisoff (Grant Coordinator), Ms. Christie Bayus (Grant Coordinator and Program Manager, LWCF/Marine Safety/Recreation Passport) and Ms. Tamara Jorkasky (Grant Coordinator).

Mr. DeBrabander also introduced Ms. Sharon Schafer, Chief of the Finance and Operations Division.

Mr. DeBrabander stated that Ms. Janet Liesman, Financial Specialist for the MNRTF, was not in attendance as she has accepted a promotional position working for the Budget and Central Support Services Section within Finance and Operations Division. Interviews have been conducted to fill the Financial Specialist position.

IV. PUBLIC APPEARANCES.

Mr. Tom Bailey, Executive Director, Little Traverse Conservancy

Mr. Tom Bailey, Executive Director for the Little Traverse Conservancy, thanked the DNR and the MNRTF Board for DNR Outdoor Adventure Center (and Detroit waterfront) and expressed what a beautiful facility it was. He stated it is a nice urban-rural balance.

Mr. Bailey attended the tour of Belle Isle State Park yesterday, and complimented the DNR staff on the improvements that have been made.

Ms. Amy Mangus, Manager, SEMCOG; and Mr. Chris Bunch, Executive Director, Six Rivers Land Conservancy

Mr. Chris Bunch, Executive Director, Six Rivers Land Conservancy stated, on behalf of Washtenaw County, Oakland County, Six Rivers Land Conservancy, Legacy Land Conservancy, Huron River Watershed Council and SEMCOG, wished to thank the Board members and staff who attended the tour yesterday. The areas visited highlighted the important work that has been done and the great partnerships in connecting parks and trails. Both existing and proposed areas were visited, as well as portions of the Iron Belle Trail.

Mr. Bunch would like to suggest four potential dates to hold Board meetings, especially in the summer months, to conduct tours. He suggested a meeting and tour in St. Clair County, which would include redeveloped riverwalks, beaches, trails and the state's first nationally dedicated water trail.

Mr. Cummings stated that these tours are very valuable to him personally, and appreciates them. He also commented that the DNR Outdoor Adventure Center is extraordinary. Mr. Hamp also commented that he was sorry to have missed the tour yesterday, but is well aware of all the efforts underway by all the southeast Michigan organizations involved. Director Creagh commented that Ms. Mangus and Mr. Bunch were also serving on the Blue Ribbon Panel on State Game Areas and thanked them for serving on this panel. He also appreciated all the work that SEMCOG has been doing.

Ms. Shirley Kautman Jones, Supervisor, Atlas Township – TF15-0161, Atlas Township Section – Iron Belle Trail, Genesee County

Ms. Shirley Kautman Jones, Supervisor of Atlas Township, expressed her support of the Atlas Township Section – Iron Belle Trail application submitted by Genesee County (TF-0161).

Ms. Paulette Johnson, Co-Chair, Walk Bike Run Atlas Township – TF15-0161, Atlas Township Section – Iron Belle Trail, Genesee County

Ms. Paulette Johnson, Co-Chair of the Walk Bike Run Atlas Township, expressed her support of the Atlas Township Section – Iron Belle Trail application submitted by Genesee County (TF15-0161). The committee was able to work with Genesee County Parks and Recreation to hopefully secure a grant for this project.

Ms. Ann Conklin, Chief Operating Officer, Michigan Recreation and Park Association – Board Policy 90.1 – Acquisition of Land in Public Ownership

Ms. Ann Conklin, Chief Operating Officer for the Michigan Recreation and Park Association (MRPA), made comments regarding Board Policy 90.1, Acquisition of Land in Public Ownership. While MRPA has had no problems with the policy, changes sometimes need to be made.

MRPA asks that the changes to be made result in a fair playing field for everyone, and if the changes are made, they be made after the December 2015 Board meeting.

Ms. Amy Kuras, Park Planner/Landscape Architect, City of Ann Arbor – TF15-0046, Gallup Park Universal Access Playground and Site Amenities

Ms. Amy Kuras, Park Planner/Landscape Architect for the City of Ann Arbor, made a PowerPoint presentation in support of the Gallup Park Universal Access Playground and Site Amenities project (TF15-0046).

The request from the MNRTF is for \$300,000. The Rotary Club of Ann Arbor will provide \$350,000 and the City of Ann Arbor will provide \$150,000 for match.

The city's Parks and Recreation Open Space Plan is the master plan for the system. One of the goals identified in the plan is to achieve and maintain a balanced park, recreation, and open space system, accessible to all of the community. Play areas are a special area of emphasis.

The term "Design for All" is used to describe a design philosophy targeting the use of products, services and systems by as many people as possible without the need for adaptation. "Design for All" is design for human diversity, social inclusion and equality.

Gallup Park is a regional draw and is close in proximity to three hospitals (C. S. Mott Children's Hospital, St. Joseph Mercy Hospital and VA Hospital of Ann Arbor). It is also on the Border to Border Trail, which is part of the Iron Belle Trail.

One of the unique aspects of the project is the floatation on the water. The Border to Border Trail runs along the playground, as well as the Huron River Water Trail, which has been designated as a national water trail.

The playground and site amenities provide: a destination and regional draw to Ann Arbor, improvement of non-motorized transportation to the site, and a destination for day camps at Gallup Park. The playground also connects to the livery and site improvements grant received in 2013.

Gallup Park is the most popular park in Washtenaw County, as it is located along a series of river parks that run through the county and city. It is a regional draw because of its natural beauty and the intersection of the trail system. The canoe livery is one of the most popular in the state and in proximity to downtown Ann Arbor.

Scope items for the project – all universal access design – would be a playground, youth fishing dock, kayak/canoe access, picnic area, sensory garden, benches, pathways (Border to Border, part of Iron Belle Trail) and bicycle racks. A fairy tale theme for the playground has been suggested.

The project has many supporters, partners and collaborators.

Director Creagh asked what the strategy was to drive children from the hospitals to the playground. Ms. Kuras responded that the parking lot can accommodate buses. No formal arrangements have been made, but hope to establish some programming. Director Creagh further stated that if arrangements can be made, to let the DNR know as this information would be helpful in their programs.

Mr. Michael Moran, Supervisor, Ann Arbor Township – TF15-0053, Dixboro Road Shared Use Trail-Phase One Development

Mr. Michael Moran, Supervisor of Ann Arbor Township, made a PowerPoint presentation in support of the Dixboro Road Shared Use Trail-Phase One Development project (TF15-0053).

The township is asking for \$300,000 from the MNRTF. Matching funds will be: \$1,174,073 MDOT Transportation Alternative Program, \$250,000 Washtenaw County, \$50,000 Ann Arbor Township, \$50,000 National Sanitation Foundation, \$1,000 Ann Arbor Bicycling Coalition and individual donors.

The purpose and need of the project is to:

- Create a non-motorized connection between an important community destination (Matthaei Botanical Garden) and the Ann Arbor bus route, Parker Mill County Park (local), Border to Border Trail (regional) and Michigan Iron Belle Trail (statewide).
- Provide access to previously inaccessible natural areas and Matthaei's 20 miles of trails, formal gardens and nature center.
- Set stage for future non-motorized access to city and county parks, Lakelands Trail and Huron Valley Trail.
- The need has been recognized by Ann Arbor Township and University of Michigan as a goal for the region since 2002.
- The need was determined by Ann Arbor Township's 2014 Non-Motorized Trail Plan and 2015 Recreation Master Plan surveys and public meetings.

Nearby destinations to the project include Parker Mill County Park, Matthaei Botanical Gardens, Marshall Nature Area, Freeman Preserve, Goodrich Preserve and Horner-McLaughlin Woods.

The project would run through University of Michigan property. This would provide the ability to connect to a wooded natural area without any right-of-way acquisition costs. It would provide an easement for the purpose of the trail.

An overview of the trail description includes:

- Two miles long, 14-foot wide universally accessible paved trail.
- 985-foot wetland boardwalk and three footbridges over ephemeral streams, minimizing environmental impacts.
- Trail serves walking, jogging, biking, wheelchairs, and cross-country skiing.
- Parallels Fleming Creek and natural habitats for viewing.
- The population served includes: general public of all ages and abilities; over 5,500 corporate employees in vicinity; and more than 1,300 apartment dwellers along Dixboro Road.

The project involves many funding partners and supporters.

Collaboration includes:

- Partnership between Ann Arbor Township and University of Michigan/Matthaei Botanical Gardens.
- The township will own the trail.
- University of Michigan will provide public easement on university-owned land at no cost.
- Matthaei Botanical Gardens will maintain the trail and border plantings/vegetation.

Mr. Cummings asked if the easement has been written. Mr. Moran responded yes. There is a final draft of the easement with the University of Michigan and it has to be approved by MDOT. In addition, a three-party agreement has been reached between the township, road commission (who administers the Transportation Alternative Program grant) and University of Michigan for administering grants.

Ms. Amy McMillan, Director Parks and Recreation Commission, Genesee County – TF15-0161, Atlas Township Section – Iron Belle Trail

Ms. Amy McMillan, Director of the Genesee County Parks and Recreation Commission, made a PowerPoint presentation in support of the Atlas Township Section – Iron Belle Trail project (TF15-0161).

The county is requesting \$300,000 from the MNRTF for this project. Matching funds will be \$300,000 from MDOT's Transportation Alternative Program and \$113,600 from Atlas Township. In 2014, Atlas Township put a millage issue on the ballot specifically for trails and the millage was approved by the voters.

A 2013 citizen survey was conducted by ETC Institute. One thousand Genesee County residents were part of the planning process and 89 percent of the residents county-wide identified trails as being the number one development priority in the county.

The county looked at collaboration when they prepared their five-year recreation plan by allowing each of the local units to "opt in" to the plan. Atlas Township was one of the first municipalities to sign on.

The proposed project will connect to an existing non-motorized trail that travels from M-15 to Gale Road. The Gale Road portion will ultimately work its way up to Grand Blanc Township to the City of Flint.

The trail will be the southernmost section of the Iron Belle Trail connecting to the Flint River Trail section of the Iron Belle Trail through Genesee County. Project benefits will extend beyond the county to the entire State of Michigan. This project is a direct result of a citizen-led grassroots

initiative. In addition, the trail will be located next to an elementary school and will provide opportunities for outdoor education and recreation for students.

The Genesee County Parks and Recreation Commission has an average annual economic impact of nearly \$20 million, as measured by the Regional Input-Output Modeling System. This section of the Iron Belle Trail will amplify that economic impact.

Mr. Ron Wruble, Director, Parks and Recreation, City of Harbor Beach – TF15-0187, Waterfront Enhancement Project

Mr. Ron Wruble, Director of Parks and Recreation for the City of Harbor Beach, made a PowerPoint presentation in support of the Waterfront Enhancement Project (TF15-0187). The city is requesting \$300,000 from the MNRTF. The city and its corporate partner, DTE, will be contributing \$200,000 for match.

Mr. Wruble outlined various aspects of the City of Harbor Beach via photographs on PowerPoint. The city has a historic downtown area, marina and lighthouse. There are also five parks within the city limits. Memorial Park is the crown jewel of the city's parks. It was renovated in 2013 and is located on the waterfront. It has a pier, sandy beach, swimming area, restroom, concession area, playground and trail that go through the park.

Mr. Wruble continued by outlining various aspects of past MNRTF-funded projects the city has received. He thanked the MNRTF Board and DNR staff for their support to help transform the community of Harbor Beach.

The proposed project is for redevelopment of a narrow strip of property that once was a Coast Guard Station on the shore of Lake Huron. The project will be to extend the spur from the Harbor View Trail, create a pier to get to Lake Huron and provide universal access for fishing and a kayak launch. There are buildings on the property and they will be renovated with other sources of funding.

Mr. Wruble pointed out various aspects of the site with before and after photographs/maps of the project area.

Mr. Cummings inquired about the fly ash on the vacant property around the project area that is owned by DTE, and wondered how old this fill was. Mr. Wruble responded it is less than 50-year old fill (in the 60's). Mr. Hamp asked if this property is currently on the market. Mr. Wruble responded yes. Mr. Cummings asked if the city was interested in buying the property after it is remediated. Mr. Wruble responded that the city has entertained this possibility.

Mr. John Dupray, Ms. Linda Davis-Kirksey and Ms. Bonnie McInerney, City of New Baltimore – TF15-0202, Acquisition of Schmid Marina

Mr. John Dupray, Ms. Linda Davis-Kirksey and Ms. Bonnie McInerney, City of New Baltimore, made a PowerPoint presentation in support of the Acquisition of Schmid Marina project (TF15-0202).

Ms. Davis-Kirksey stated that the MNRTF request is \$2,850,000, with the city providing a 25 percent match by a unanimous resolution.

In November of 2014, the City of New Baltimore was one of four communities that were studied by the Michigan Sea Grant. This was to look at a sustainable harbor management. The proposed acquisition is part of the city's master land use plan.

The community engagement began February 5 with an initial community vision meeting, followed by a three-day community charrette March 5 through 7. The final community presentation was April 27. The result was that the Schmid Marina project was overwhelmingly approved to pursue for acquisition.

The Schmid Marina has been in private ownership for over 50 years. The Schmid brothers have been good stewards over the years. This property is one of the very few public access areas. If the city is unable to acquire it, the access will be lost forever. A vision for this project is to have connectivity between the marina and historic downtown New Baltimore.

At this point, a video was viewed by the Board and audience of the proposed acquisition.

The project would include repurposing an existing building for a recreation center, a sustainable marina with both yearly and daily slips, accessible public facilities, boat launches with adequate parking, kayak/canoe launches, and a shoreline returned to its natural state. The downtown area is three blocks away. A non-motorized path exists from the north and another path from the northeast will be developed in 2017.

Ms. McDonough asked if the marina was fully used now. Mr. Dupray responded it is about 50 percent full and that is by choice of the current owners, who are elderly. All of the other marinas in surrounding areas are at 99 percent capacity. It is also hoped that if the marina is acquired, that transient dock users will have the opportunity to use the marina.

Mr. Hamp asked if the Schmid brothers are holding the property to see if the city receives a grant. Ms. Davis-Kirksey responded yes. Mr. Cummings asked what the owners are asking for the property. Ms. Davis-Kirksey responded that it was around \$5 million, but that was several years ago before the economy took a turn. The city has had an appraisal done. Mr. Hamp asked if the owners would accept the lower price. Mr. Dupray responded yes.

Ms. Mindy Milos-Dale, Director, Parks and Recreation, Oakland Charter Township – TF15-0130, Stony Creek Ravine Nature Park Expansion

Ms. Mindy Milos-Dale, Director, Parks and Recreation, Oakland Charter Township, made a PowerPoint presentation in support of the Stony Creek Ravine Nature Park Expansion project (TF15-0130).

Oakland Charter Township has 1100 acres of parks, many that include high priority natural areas. There are 20 miles of trails, as well as a nature center, kayak docks, archery range, and athletic fields. Staff offers nature, wellness and cultural programs. There is a staff of 10 and the parks are funded by two local millages.

The proposal is to expand the 60-acre township park to 269 acres by adding 209 acres of vacant land. This would include a 74-acre fee simple purchase and 135 acres acquired after Department of Environmental Quality obtains wetland mitigation easements.

The MNRTF grant request is for \$2,216,400, with \$738,900 match from local millage funds.

The project would provide protection of the Stony Creek tributary of the Clinton River, provide acquisition of land for trails, protect sensitive habitats and protect natural areas adjacent to existing parks.

The population served at Stony Creek Metropark is 1,500,000 visitors annually and 16,679 Oakland Township residents.

Stony Creek Nature Park was acquired with the assistance of a \$893,700 MNRTF grant. The park was acquired to protect natural resources, provide antlerless archery deer hunting and fishing access and provides a .5-mile rustic trail system.

Project benefits would include:

- Trail and ecological links to Stony Creek Ravine Nature Park and Stony Creek Metropark.
- Provide two miles connecting trails.
- Improve access – entry road, parking lot, trail head.
- Protect water resources and sensitive habitats.
- Hunting and nature programs.

Ms. Milos-Dale stated that the township parks and recreation staff includes natural areas stewardship and facility maintenance. In addition, the township would be partnering with the Dinosaur Hill Nature Preserve in Rochester to provide environmental education and nature programs.

At this point, Ms. Milos-Dale provided a “fly over” video of the project.

Director Creagh asked about the mitigation of the property. Ms. Milos-Dale responded that the current landowners are actually the ones who would be initiating the mitigation process. They are in the process of submitting applications to the Department of Environmental Quality.

Mr. Curt TerHaar, Coordinator of Planning and Development, Ottawa County – TF15-0137, Grand River Bend Recreation Area Land Acquisition

Mr. Curt TerHaar, Coordinator of Planning and Development for Ottawa County, made a PowerPoint presentation in support of the Grand River Bend Recreation Area Land Acquisition project (TF15-0137).

The project is for two parcels of land totaling 231 acres. The project total is approximately \$1.2 million, and the county is requesting \$739,000 from the MNRTF, with a 40 percent match from the county parks millage fund.

Ottawa County is one of the fastest growing counties in Michigan. The county has 6,400 acres in parks and open spaces (38 parks/open spaces). There are also 20 miles of riverfront on the Grand, Pigeon and Macatawa Rivers; over six miles of bayou frontage and 94 miles of trail.

The county has used green infrastructure principles in park expansions, both acquisition and development. Three rivers run east and west through the county, as well as bordering Lake Michigan.

The proposed project is in the Grand River greenway. People are rediscovering the Grand as a recreational, cultural and historical resource. The county has been working with local archaeologists to identify and document aspects in park sites.

The concept for this project is to acquire key blocks of natural and recreational land along the corridor and then connect them to the trail. This will connect to the trail system in Grand Rapids, and then ultimately to Lake Michigan.

The county has been acquiring property along the Grand River. A number of these properties have been assisted by the MNRTF. There are approximately 2700 acres at this point. Two new parks have been developed in the last three or four years. In addition, the Grand River Heritage Water Trail has been completed.

The proposed project abuts the Jenison/Georgetown Townships area and is also close to Grand Valley State University. The Bend area is approximately 700 acres total, with two miles of Grand River frontage. Georgetown Township has the highest population density in the county.

The county has very few inland lakes. Most of the lakes on the Bend property have been created by gravel mining. The county approached the mining companies and worked with them to develop a master plan for the entire area. The county has already acquired two properties in this area.

Mr. TerHaar pointed out various aspects of the properties via maps on PowerPoint.

Mr. TerHaar pointed out that the area is rather rough, as the property was mined. The mining companies still have to do restoration work. In addition, the site has seven oil wells. More information will be provided on the ramifications of this in the future.

Mr. Hamp asked about the gravel mines toxicity. He also asked if the oil wells would be capped. Mr. TerHaar responded that they are very low-producing wells. The county is trying to determine when those could be closed down.

Mr. Terry Brown, Former State Representative; and Ms. Terry Collison, Project Chairwoman, Village of Pigeon – TF15-0118, Pigeon Walking Path

Mr. Terry Brown, former State Representative; and Ms. Terry Collison, Project Chairwoman from the Village of Pigeon, made a PowerPoint presentation in support of the Pigeon Walking Path project (TF15-0118).

The village is requesting \$300,000 from the MNRTF, with a \$75,000 match for the walking path project.

The population of the village is 1,200 and is one of the core interior communities in Huron County and the Thumb area. M-142 runs through the village, as does the Huron Eastern Rail Line. The village is seven miles from Lake Huron, Saginaw Bay and Wildfowl Bay. The village consists of various businesses that were started and remain headquartered in Pigeon. Scheurer Hospital is also in the area, and an abundance of specialized senior care, housing and retirement options. The proposed walking path connects to several of these communities.

The schools and village park are active partners in the project. The community park is always busy with children, seniors, athletes and those with disabilities using it. A summer recreation program is held in the park, as well as other events.

Park amenities, however, are not connected to each other in any accessible fashion, nor is there a designated trail in the community. Parking at or around the park is extremely limited. Other than sidewalks, there are no walking areas in or near the village. Health and safety concerns mount as pedestrians cross busy streets or walk or run on road sides. The walking path project would be the first MNRTF grant to address park and recreational needs since 1991. A 1976 Land and Water Conservation Fund grant helped to develop a parking lot and lighting.

In the last year, approximately \$120,000 for ball diamonds, dugouts and a patio area in the park has been provided by local organizations in the village.

The proposed walking path project is identified in the village's five-year recreation plan. The walking path will be one mile in length, include a sensory garden and additional parking. The path would not only make the park features accessible, but connect the park to the rest of the

village, hospital, housing and businesses. This would provide a positive impact to the economy by drawing more visitors and keeping and expanding the residents who have chosen and continue to choose Pigeon as home.

Ms. Collison continued by outlining aspects of the main component of the project—the walking path. It will be a one-mile, paved, eight-foot, non-motorized path, connected externally by sidewalks, streets, parking lots, and internally by park amenities, providing a safe, fully accessible path for fitness, entertainment, scenic enjoyment, and other recreational opportunities. Paving was selected to provide access and maneuverability to all users. Loops have been designed for multiple uses.

The sensory garden will allow users to explore and learn about nature. School personnel, including those who serve those with developmental disabilities, have encouraged this garden.

The parking area will allow for easier access to the park itself and act as a starting and finishing point along the path. Handicapped accessible walkways, such as a connecting feature, were added to the plan, after review by individuals representing those with disabilities to ensure accessibility.

Ms. Collison added that without the assistance of the MNRTF grant, it is highly unlikely that the project can be completed.

Ms. Joy Ann Lehman, Mr. Michael Cockerill and Ms. Deborah Harris, White River Township (Muskegon County) – TF15-0157, Barrier Dunes Sanctuary Addition

Ms. Joy Ann Lehman, Mr. Michael Cockerill and Ms. Deborah Harris from White River Township (Muskegon County), made a PowerPoint presentation in support of the Barrier Dunes Sanctuary Addition project (TF15-0157).

Mr. Cockerill stated that the proposed project is to acquire approximately two acres of dune land and 200 feet of undeveloped Lake Michigan shoreline. The sanctuary currently has 1,100 feet in public ownership. The proposed additional 200 feet of shoreline would be to the south.

The property consists of open critical dunes and Lake Michigan shoreline and is adjacent to the Barrier Dunes Sanctuary Township Park. In addition, the property is a historic inland waterway, with the property's 200-foot eastern boundary on the shoreline of the original White Lake channel to Lake Michigan. When the new channel was built, drifting sand closed the old channel mouth and it became a slow-moving stream leading into White Lake.

The project is an important recreational source. It is a featured stop and access point on the Lake Michigan Water Trail. This is an important feature for tourism in Muskegon County and White River Township.

The project is a small parcel with a much larger impact:

- Amendments to the Dunes Protection Act in 2012 put in doubt protection for Barrier Dunes Sanctuary.
- Developers were seeking to utilize historic easement through the Sanctuary.

Acquisition of the property would eliminate the threat of roadway construction through the Barrier Dunes Sanctuary.

The total project cost is \$1,041,200, with a \$605,200 request from the MNRTF. The match will be \$436,000. Strong public support and private fundraising will reduce the grant request to less than \$400,000. The local match breakdown is \$210,000 from White River Township and \$440,000 in donations and pledges from project partners. The full amount of the match will be known in October.

Board members asked several questions regarding the project, and in particular, about the easements. Mr. Cockerill stated that there is access to the property from the south. The township is working on the issue of property owners to relinquish their easements.

V. OLD BUSINESS.

Board Policy 90.1 – Acquisition of Land in Public Ownership

Mr. DeBrabander stated that at the June 17, 2015 MNRTF Board meeting, there was a discussion on Board Policy 90.1. Staff offered to provide the Board with some suggested changes by the August meeting.

The current policy reads as follows:

ACQUISITION OF LAND IN PUBLIC OWNERSHIP

The Michigan Natural Resources Trust Fund Board will not assist in the acquisition of any land that is already owned by a local unit of government, including school district or any special district established by a local unit of government, except where State or federal law requires that disposal of land be done by way of sale at Fair Market Value. (1-10-90)

The proposed amendment to the Board Policy would read as follows:

ACQUISITION OF LAND IN PUBLIC OWNERSHIP

*The Michigan Natural Resources Trust Fund Board will not assist in the acquisition of any land that is already owned by a local unit of government, including school district or any special district established by a local unit of government, **unless the Board makes an exception when one or both of the following criteria apply:***

- ***The property is not currently managed for public outdoor recreation and has not been managed for public outdoor recreation in the last 10 years.***
- ***The land acquisition will result in, or is a part of, a significant regional public outdoor recreation opportunity. For the purposes of this policy, significant regional public outdoor recreation opportunity is defined as a project that is expected to attract visitors from a multi-county region and potentially other states.***

Mr. DeBrabander stated that there were a couple applications received this year that involved acquisition of land that was already in public ownership. This led staff to review the existing Board Policy. Under state law, both units of government are required to get Fair Market Value when they sell land. The original Board Policy was initiated 25 years ago.

Ms. McDonough stated that Ms. Conklin made some good points about the timing and making sure we are setting up a level playing field. She feels this is a good policy, but wants to discuss the implementation date. She would suggest the Board Policy changes start in 2016.

Chairperson Canale asked if there would be any possible grants that would be affected by this change this year. Mr. DeBrabander responded that two applications were received this year that involve land already in public ownership. Both of these applicants are required to get Fair Market Value; therefore, the policy allows the Board to recommend funding for these parcels.

Discussion ensued about exceptions to the Board Policy and the starting date of amendment to the policy.

Mr. DeBrabander stated that the two applications received this year would meet the Board's criteria for being granted an exception. If the Board wanted Board Policy 90.1's amendment to start in 2016, it would not affect these two applications.

**MOVED BY DIRECTOR CREAGH, SUPPORTED BY MR. CUMMINGS, TO
ADOPT THE AMENDMENTS TO BOARD POLICY 90.1. THE POLICY
AMENDMENTS WILL BE EFFECTIVE JANUARY, 2016. MOTION PASSED
WITHOUT DISSENTING VOTE.**

Ms. McDonough asked that the Board Policy changes be made known to participants at the 2016 recreation grant workshops. Mr. DeBrabander responded participants will be advised of this change.

VI. NEW BUSINESS.

Update on MNRTF Staff Activities

Mr. DeBrabander outlined updates of various MNRTF staff activities:

- Interviews have been conducted for Janet Liesman's replacement (Financial Specialist position for MNRTF).
- Staff has completed on-site inspections for most of the 2015 applications received. This includes MNRTF, Land and Water Conservation Fund and Recreation Passport grant applications. About 250 applications were received in 2015.
- Group preliminary scoring has begun. Scores will be provided by applicants by the end of September/first part of October. Applicants will then have an opportunity to submit supplemental information. Final scores will be provided to applicants and the Board by the middle of November.
- Post-Completion Self-Certification Inspections are ongoing. Out of 83 counties, 72 have been completed. Linda Harlow continues to work on these inspections.
- Staff continues to spend time with the MiRecGrants system. This is the second application round using this system for submittal. The grant/reimbursement side is still being developed. Amy Matisoff is the project manager for MiRecGrants.
- Grant Coordinators are continuing to review five-year recreation plans, plans and specifications submitted, and serve on various committees.
- Staff has been attending as many ribbon-cuttings/dedications for grant projects as they can. If Grants Management staff cannot attend, we contact other DNR division staff to see if they can go.

Mr. DeBrabander further stated that he received a request from Ron Olson, Chief, Parks and Recreation Division, to amend a scope item for TF13-139, White Pine Trail State Park Surface project (\$300,000 grant). The original intent was to place compacted crushed limestone on the trail for 40 miles. Because of issues that have come up and public input, Parks and Recreation Division has asked to amend the request to use asphalt paving for 11 miles.

When granting an amendment, staff reviews the project to see if it would have scored the same as the recommended scope change. Because it is a part of a regional trail, it was determined that this project would have scored the same as originally scored.

The project also involves funds from MDOT. Parks and Recreation Division is reapplying to MDOT for Transportation Alternative Program funds. The total project cost is \$2.1 million. The part that the MNRTF is funding is \$300,000.

TF12-004, Sports Complex Concession Stand/Storage, Wells Township (Delta County)

Mr. Jon Mayes outlined TF12-004, Sports Complex Concession Stand/Storage, Wells Township (Delta County). The township is seeking to withdraw this grant. There was a breakdown in communications between the Township Board and the local baseball association.

The grant was for \$46,100.

MOVED BY MR. HAMP, SUPPORTED BY MR. CUMMINGS, TO ACCEPT THE WITHDRAWAL OF TF12-004, SPORTS COMPLEX CONCESSION STAND/STORAGE, WELLS TOWNSHIP (DELTA COUNTY). MOTION PASSED WITHOUT DISSENTING VOTE.

VII. STATUS REPORTS.

DNR Real Estate Report – State Acquisitions

Mr. Mayes, outlined the DNR real estate report. Mr. Steve Sutton, Manager, Real Estate Services Section, was not in attendance at the Board meeting.

Since the last Board meeting, there were four MNRTF acquisitions taken to Director Creagh for approval.

Chairperson Canale noticed these were all 2011 acquisitions and wondered why it has taken so long to acquire the properties. Mr. Mayes responded it could be for a number of reasons; staff tries to acquire properties as quickly as possible – both state and local acquisitions.

Completed MNRTF Projects Report

No discussion.

MNRTF Financial Report

Ms. Schafer stated an Employee Survey recently was conducted among all state employees. In the DNR employees' portion of the survey, Grants Management Section received the highest amount of positive feedback/most improvement of all divisions/sections of the DNR. She wished to commend the section employees for a job well done.

At this point, Ms. Schafer, outlined the MNRTF projects financial report. The MNRTF assumes a 5 percent spend plan, with a 5-1/2 percent return on investments. There is an estimated revenue of approximately \$15 million. For 2015, it is estimated that there will be approximately \$8.7 million for acquisition and \$4.2 million for development grants. Ms. Schafer wanted to emphasize that these dollar amounts are only estimates at this time—final amounts will be made known in December.

Ms. Schafer pointed out that the \$448,414 identified under “reauthorization of lapses” has increased significantly – the amount previously was about \$60,000. A Clinton County acquisition project came in under budget, which resulted in the increase in lapses.

Ms. Schafer outlined the corpus (cap has been reached at \$500 million; oil and gas revenues now go to the Park Endowment Fund, but does not keep the funds from going beyond \$500 million). The Stabilization Reserve is used as a “smoothing” method for investments and the Growth Reserve which is set up for inflationary increases to keep pace with inflation.

The contribution to the Growth Reserve this year is estimated to be approximately \$13.5 million, for a total of \$51.9 million.

The minimum Stabilization Reserve target is 10 percent of the corpus and Growth Reserve (\$55.2 million). This leaves approximately \$6 million that the Board could elect to spend for 2015 projects.

Mr. Cummings suggested that an update of the Board’s two Subcommittees (Funding and Finance and Program Review) be on the agenda for the October Board meeting.

Director Creagh stated that one of the needs in the future is the information that will allow us to make strategic investments. With the Board’s approval, he asked Mr. DeBrabander to have his staff look at what these strategic investments would look like—what type of data, mapping and efforts. As we are looking at mapping across the DNR in total, if a state game area grant request was submitted to the MNRTF, we could see strategically what this would look like and what opportunities there would be. If we could come up with a proposal, he believes we could take this out of the operational side with the understanding that it would allow us to make strategic investments—theoretically a one-time investment.

Mr. Hamp asked if this would be to identify a couple of strategic areas and identify what those are. Director Creagh responded yes, because one of things we are being asked to do is what is the strategic investment and opportunities. Mr. Hamp asked Mr. DeBrabander if staff would come back with a list of the potential strategic investments. Mr. DeBrabander responded yes.

Ms. McDonough added that it would be good if it could be laid out to look at the consistency of different areas over the years to have the whole picture.

MNRTF Land Consolidation and Line Item Department Projects

No discussion.

MNRTF Conversion Projects Update

Mr. DeBrabander stated that the Board had asked, for information purposes, to receive an update of any conversions that have been resolved since the previous Board meeting.

In 1995, Holland Charter Township received an acquisition grant for \$243,800 to buy 40 acres for an addition to Helder Park (TF95-137). In 2009, the township leased a small area for the development of two wind turbines in the northeast corner of the park. In 2010, they purchased 8.5 acres of land adjacent to the park to mitigate the converted land.

The market value of the land converted was \$8,840 and the mitigation property is \$145,520.

On August 6, 2015, staff approved the project amendment removing .52 acres from the current boundary and adding the adjacent 8.5 acres purchased in 2010. Helder Park now has 165 acres in total encumbered to public outdoor recreation.

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

Mr. Cummings stated that after the tour of recreation projects in Washtenaw and Oakland Counties, the Board was provided a bus tour of Belle Isle State Park. He stated that Mr. Jacob (Jake) Brown of Belle Isle State Park, Parks and Recreation Division, provided the tour. He is an extraordinary representative of the hard-working staff of the DNR.

From a historic perspective and what improvements the DNR and volunteers have done in a short period of time is amazing. There have been incredible gains in attendance and the way the park is being used. He encouraged all to visit the park.

Mr. Cummings also wanted to congratulate the DNR on the Outdoor Adventure Center. It is a beautiful facility and the MNRTF Board is proud to be a part of funding of the facility.

Director Creagh thanked Mr. Cummings for his kind comments. In 2014, June attendance was 289,000 and it was 430,000 this year. In July 2014, attendance was 400,000 and this year it was 600,000. There were 100 percent rentals of buildings for events. Director Creagh gave a lot of credit for Belle Isle's success to former Director Rodney Stokes, who had great vision and commitment for the park.

Mr. Hamp seconded these comments. The transformation of Belle Isle in the amount of time was really astonishing. The facility adds huge impact to the state park system and DNR. The Governor and all involved have done a great job to make this happen.

IX. ANNOUNCEMENTS.

The next meeting of the Michigan Natural Resources Trust Fund Board is scheduled for 9:00 AM, Wednesday, October 21, 2015, Lansing Community College West Campus, 5708 Cornerstone, Lansing, Michigan.

X. ADJOURNMENT.

**MOVED BY DIRECTOR CREAGH, SUPPORTED BY MS. McDONOUGH, TO
ADJOURN THE MEETING. MOTION PASSED WITHOUT DISSENTING VOTE.**

The meeting was adjourned at 11:44 AM.

Brad Canale, Chairperson
Michigan Natural Resources Trust Fund
Board of Trustees

Steven J. DeBrabander, Manager
Grants Management Section
Finance and Operations Division

DATE