

MICHIGAN NATURAL RESOURCES TRUST FUND

BOARD OF TRUSTEES MEETING

Minutes of June 17, 2015
Thunder Bay Marine Sanctuary
500 W. Fletcher, Alpena
9:00 AM

The meeting of the Michigan Natural Resources Trust Fund (MNRTF) Board of Trustees commenced at 9:00 AM, Wednesday, June 17, 2015.

The following Board members were present:

Brad Canale
Keith Creagh
Sam Cummings
Erin McDonough

Mr. Steve Hamp was not in attendance due to a prior commitment.

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

On behalf of the Board and staff, Chairperson Canale wished to express his thanks to the Thunder Bay Marine Sanctuary for the meeting accommodations today.

I. ADOPTION OF MINUTES FOR MEETING OF APRIL 15, 2015.

Chairperson Canale called for the adoption of the minutes for the April 15, 2015 MNRTF Board meeting.

**MOVED BY DIRECTOR CREAGH, SUPPORTED BY MR. CUMMINGS, TO ADOPT
THE MINUTES FOR THE APRIL 15, 2015 MNRTF BOARD MEETING.
PASSED WITHOUT DISSENTING VOTE.**

II. ADOPTION OF AGENDA FOR MEETING OF JUNE 17, 2015.

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

**MOVED BY MR. CUMMINGS, SUPPORTED BY MS. McDONOUGH, TO ADOPT
THE REVISED AGENDA FOR THE JUNE 17, 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 Grants Management Section staff: Mr. Jon Mayes (Unit Manager, MNRTF), Ms. Linda Harlow (Administrative Assistant to staff and Board), Ms. Janet Liesman (MNRTF Financial Specialist), Ms. Tamara Jorkasky (Grant Coordinator), Mr. Chip Kosloski (Grant Coordinator), Ms. Merrie Carlock (Grant Coordinator), and Ms. Amy Matisoff (Grant Coordinator).

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

At this point, Mr. DeBrabander outlined the process for the attendees making a presentation.

IV. PUBLIC APPEARANCES.

Ms. Emily Meyerson, Northern Lower Peninsula Trailways Coordinator

Ms. Emily Meyerson, Northern Lower Peninsula Trailways Coordinator, briefed the Board on some MNRTF-funded projects that were going on in the Northern Lower Peninsula. The Alanson to Mackinaw City Trail started yesterday. Once that is done, users will be able to go up to Mackinaw City, down to Petoskey and over to Charlevoix.

In addition, there are a lot of other trailhead projects that are ongoing. The Indian River trailhead is almost complete. The community of Metz is starting their project next week. The City of Alpena will be starting their project later this year.

The DNR has submitted a grant application for a trail from Alpena to Hillman. This project is well-supported by local communities. The Michigan Department of Transportation (MDOT) is also a partner for this project.

Mr. Nyle Wickersham, Supervisor, Metz Township

Mr. Nyle Wickersham, Supervisor for Metz Township, wished to thank the Board for the grant Metz Township received a couple of years ago. This was for the Metz Fire Trailside Park.

Mr. Jeff Kowalski, Alpena County – TF15-0220, Long Lake Park Boat Launch

Mr. Jeff Kowalski, County Commissioner and Chairman of the County Parks and Recreation Commission, made a PowerPoint presentation in support of the Long Lake Park Boat Launch project (TF15-0220). The total project cost will be \$204,000, with \$148,000 being requested from the MNRTF. The county match is 27% (County Parks and Recreation Fund--\$11,000 and Alpena County Youth and Recreation Millage--\$45,000).

Mr. Kowalski outlined some historical facts (establishment, population, area size, etc.) regarding Alpena County and area. The county operates four parks and eight campgrounds.

Long Lake Park is located just off US-23 ten miles north of Alpena and situated on the east side of Long Lake. The park contains 4,775 feet of lake frontage and 70 acres of forested land. It also contains 80 modern campsites and 24 rustic sites.

The grant being requested is to provide a safe launching site at Long Lake Park by reconstructing the launch area, and also to make the launching site more user friendly by paving the launch approach and providing walkways.

The boat launch is currently over 50 years old and is one of the only public launches on Long Lake. The concrete beneath the surface is in poor condition and erosion has been accelerated due to power loading and yearly freezing and thawing.

Scope items for the project include asphalt paving, concrete walkways, and concrete planks.

There have been many supporters for this project, as well as resolutions of support from the City of Alpena and Green, Long Rapids, Maple Ridge and Sanborn Townships.

Collaboration for the project comes from a county millage, the Parks and Recreation Commission, Devere Construction Company and Sidlock Architects Group.

This project would serve all public boating on Long Lake and visitors. According to caretaker records at the park show current number of campers and visitors using the launch is 1,235 boats. It is expected that this will increase to two or three times more. The project would also increase tourism and business revenues in the area.

The park would be monitored and cleaned by Long Lake Park managers and maintenance and repairs would be provided by the Parks and Recreation Commission.

Mr. Tim Ervin, Bear Lake Township (Manistee County) – TF15-0095, Acquisition of Lake Property for Kayak/Canoe Launch

Mr. Tim Ervin, Alliance for Economic Success and Trustee for the Manistee County Community Foundation, representing Bear Lake Township, made a PowerPoint presentation in support of the Acquisition of Lake Property for Kayak/Canoe Launch project (TF15-0095). Mr. Ervin stressed the fact that the MNRTF is one of the most important programs available in Northern Michigan that positively impacts economic well-being and quality of life. He thanked the MNRTF Board and DNR staff for all that they have done.

The project is for the acquisition of a parcel of property (approximately 3/4ths of an acre) that would then be developed into a kayak and canoe launch. It would be based on universal design to provide access to Bear Lake (a universal design consultant out of Chicago will be involved).

The township is requesting \$82,500 from the MNRTF. The Olson Foundation will be contributing \$10,000 towards this acquisition.

When the property is developed, it will include a prefabricated universally accessible kayak and canoe launch, parking, restrooms and an interpretive display. A local sporting goods store has agreed to donate kayaks to the school districts in the area for physical education courses.

Since 2008, there have been 32 different funding sources to support 19 projects in the area to create superior access sites on Lake Michigan, inland lakes, streams and rivers. The Bear Lake Township acquisition project would be the first “Explore the Shore” site in Bear Lake Township on Bear Lake.

There has been positive feedback for the project from residents and businesses.

Mr. David Anthony, Delta County – TF15-0199, UP State Fairgrounds Update

Mr. David Anthony, Director of Economic Development for the Hannahville Indian Community, made a presentation in support of the UP State Fairgrounds Update project (TF15-0199). He also serves on the UP State Fair Board and on the board of the Delta County Economic Development Alliance.

The county is requesting \$300,000 from the MNRTF. They are also asking \$45,000 from the Recreation Passport grant program. The Hannahville Indian Community will provide \$15,000, the UP State Fair \$35,000 and the 2017 Airstream Rally has committed \$50,000 towards match.

The project will be for infrastructure improvements, burying of utility lines, upgrading public address system and improving the equestrian center. Mr. Anthony also mentioned that the fairgrounds are used for the emergency center for disaster situations for the county. The request from the Recreation Passport grant would be used for replacing the siding on an equestrian speed barn from wood to vinyl.

The UP State Fair began in 1928. In 2009, the State of Michigan turned over the UP State Fair and the title to be run as a private activity. Since that time, the fair has operated without any state funding and has been done so by collaboration of 15 counties in the Upper Peninsula and the Hannahville Indian Community. The Indian Community works closely with Delta and Menominee Counties to address infrastructure and economic needs, and donated \$60,000 of start-up money to get the fair going. The Indian Community is a major contributor and also underwrites all the major acts performing at the fair.

The fair property remains under the control of Delta County and has committed long-term to maintaining the operations of the fair. The annual operating budget is \$1 million, with an economic impact of \$16 million to the surrounding areas.

To anticipate the future needs and obligations, a ten-year recreation plan was developed by the Upper Peninsula State Fair Authority. It includes two items that necessitated seeking funding: 1) improve infrastructure, burying power lines and upgrading the public address system within the fairgrounds; and 2) making improvements to the equestrian facilities.

The DNR also conducts a Pocket Park at the UP State Fair.

The indoor arena is nearly 25 years old and has been a problem. The outdoor arena is 49 years old. The county has lost the ability to hold various equestrian shows because of the conditions of the indoor and outdoor arenas. Loss of these shows creates loss of revenue.

The central Upper Peninsula has been extremely focused on MiTrails. Connecting to the MiTrails system would have great advantages if it can be connected to the fairgrounds via the horse trails.

Ms. Darla Falcon, City of Gladstone – TF15-0100, Bay de Noc Trail System

Ms. Darla Falcon, City of Gladstone, made a presentation in support of the Bay de Noc Trail System project (TF15-0100). The request from the MNRTF is \$300,000. There has been a commitment of \$1.2 million from the Michigan Department of Transportation (MDOT). An application has been submitted to the Great Lakes Fishery Trust Fund for \$300,000. The trail is 2.25 miles and is for non-motorized use.

The trail will attract tourists and allow local residents a safe means of transportation between two cities in Delta County—City of Gladstone and City of Escanaba. Right now there is very little access. Ms. Falcon pointed out the route of the trail via a map.

An agreement has been reached with Escanaba Township to maintain the trail.

Trails are an economic driver for all communities. It will also attract Heritage Trail enthusiasts, as well as enhance regional destinations and public access to waterfronts. The trail also will connect with the Governor's Showcase Trail (Iron Belle Trail).

Ms. Marlene Golovich, Hayes Township (Charlevoix County) – TF15-0183, Camp Sea-Gull Boat Launch

Ms. Marlene Golovich, Hayes Township (Charlevoix County), made a PowerPoint presentation in support of the Camp Sea-Gull Boat Launch project (TF15-0183). The township is requesting \$300,000 for a boat launch. In 2012, the MNRTF awarded the township an acquisition grant in the amount of \$3,375,000 to acquire the Camp Sea-Gull property.

Ms. Golovich outlined various photographs of the property for the Board's information.

There is 20 acres with 1400 of water frontage with multiple buildings. There is a 75-acre nature preserve that has hiking trails and groomed cross-county trails in the winter. Snowmobiles are allowed down to the lake for ice fishing.

There are baseball fields on the property. Some of the buildings will be removed down by the water to make access for the boat launch.

Development for the future would include a boat launch for boating and fishing access to Lake Charlevoix, fishing pier, swimming beach, pavilions, non-motorized trailhead and rustic cabin rentals. The first priority is to increase public recreational access by development of the swimming beach and boating access to the water, as well as road infrastructure to provide park-wide access.

The township plans to apply to the Great Lakes Fishery Trust for the fishing pier so construction can be done in conjunction with the boat launch.

The total cost of the project will be \$1.2 million. Funding will be provided by the DNR Waterways Commission (\$483,400), Charlevoix County Parks and Recreation millage (\$10,000 pending), Hayes Township (\$393,371), private donations (\$7,850), crowdfunding (unknown at this time) and MNRTF grant (\$300,000).

Mr. Aaron Weed, Iosco County – TF15-0027, Iosco Exploration Trail, Phase I

Mr. Aaron Weed, Iosco Exploration Trail Secretary, made a PowerPoint presentation in support of the Iosco Exploration Trail, Phase I project (TF15-0027). The county is requesting \$296,000 from the MNRTF. This would be for development of a 2.1-mile long trail.

The total cost of the project would be \$1,420,709. Funding will be provided by Iosco County (\$40,000), AuSable Township (\$50,000), Oscoda Township (\$50,000), Federal Lands Access Program (FLAP) (\$450,000), MNRTF (\$296,000) and MDOT Transportation Alternatives (TAP) (\$534,709).

The trail is part of the Iron Belle Trail.

The trail will include a pedestrian bridge. It will connect downtown Oscoda and AuSable to the school. In addition, it will provide safe pedestrian passage across the AuSable River and provide a safe route off the main highway for school children, pedestrians and bikers. It also will provide access to the Huron National Forest and the River Road Scenic Byway.

The trail project will be developed in seven phases and is 38 miles long. The U.S. Forest Service is supportive of the project and has conducted the botanical, animal and archaeological surveys for Phase I. In addition, AuSable, Oscoda, Wilber, and Plainfield Townships, Consumers Energy Hydro and land management divisions, Iosco County Parks and Recreation, MDOT regional planner, Chamber of Commerce, Top of Michigan Trails and Convention Visitors Bureau are all supportive and have been working with the county.

Mr. Damien Henning, Littlefield Township; and Mr. Klaus Heinert, Gosling Czubak Engineering Sciences (Emmet County) – TF15-0218, Hay Lake Water Access Site Acquisition Project

Mr. Damien Henning, Supervisor, Littlefield Township, and Mr. Klaus Heinert, Gosling Czubak Engineering Sciences, made a PowerPoint presentation in support of the Hay Lake Water Access Site Acquisition project (TF15-0218). The township is requesting \$167,800 from the MNRTF and will provide \$59,000 (26%) match. The total cost of the project would be \$226,800.

Future acquisition and development plans for the project include:

- Redevelop public marina site for access to Chain of Lakes inland waterway.
- Develop a public boating access site.
- Develop a water trailhead.
- Install UA non-motorized watercraft launch.
- Develop natural resource access “park setting”.
- Link to Northwestern State Trail.
- Develop universal access facilities (i.e. restrooms).
- Create sustainable redevelopment of aging site.

Partners include Littlefield Township, Village of Alanson, Emmet County, Hay Lake Marina, Chain of Lakes Water Trail, Admiral Pointe Homeowners Association, Pickerel-Crooked Lake Association and Disability Network of Northern Michigan.

At this point, Mr. Heinert continued to outline aspects of the project. It would provide the opportunity for a water trailhead and boating access site. It also would provide a link to the Northwestern State Trail. The property also provides great fishing as it is in a corridor with heavy marshlands and wooded wetlands. Land and water would interface.

Mr. Greg Payne and Mr. Tom Cole, Milton Township; and Mr. Klaus Heinert, Gosling, Czubak Engineering Sciences – TF15-0038, Bigelow Property (Water's Edge Resort) Waterfront Park

Mr. Greg Payne, Milton Township Parks and Recreation Committee, Mr. Tom Cole, Trustee; and Mr. Klaus Heinert, Gosling, Czubak Engineering Sciences, made a PowerPoint presentation in support of the Bigelow Property (Water's Edge Resort) Waterfront Park project (TF15-0038). The township is requesting \$490,900 from the MNRTF and providing a \$172,500 match (26%). The total project cost is \$663,400.

Project supporters include Milton Township, Paddle Antrim (Club), Kewadin businesses, Chain of Lakes Water Trail, Elk Lake Watershed Association, Antrim County Road Commission, Grand Traverse Band of Ottawa Chippewa Indians and Grand Traverse Regional Land Conservancy.

The acquisition and future development plans include:

- Redevelop the old resort site with existing township parcels.
- Develop waterfront park with swimming beach.
- Develop a water trailhead for East Grand Traverse Bay Chain of Lakes water trail.
- Install UA non-motorized watercraft launch.
- Develop natural resources access "park setting".
- Build access links to old and new town halls and recreation park.
- Develop universal access facilities (i.e. restrooms).
- Create sustainable redevelopment of aging waterfront.
- The project is in the commercial zone of Kewadin.

At this point, Mr. Cole outlined aspects of the project. Acquisition of the Bigelow property is key for the consolidation of the existing township park property. The property would add 200 feet of water frontage and extend the existing public park by 50 percent. The adjacent road end provides a small boat launch and access to Grand Traverse Bay Park.

At this point, Mr. Heinert outlined park planning and development process. The park will be designed for fully universal access uses. The Bigelow property has several buildings on it. One will be torn down and three will be adapted for reuse.

Ms. Alice Sproule, City of Omer and Mr. Scott Bell, Lapham Associates – TF15-0176, Omer State Road Park Trailhead Project

Ms. Alice Sproule, City of Omer and Mr. Scott Bell, Lapham Associates, made a PowerPoint presentation in support of the Omer State Road Park Trailhead project (TF15-0176). All residents of the city are supportive of the project.

The trailhead project would connect with the Iron Belle Trail, which will pass along the city's park on the west. The city's park is 58.6 acres. Improvements will include an adjoining trail that will connect to parking and a picnic rest area at the Rifle River and then to downtown Omer. The park is located at the southeast corner of the city with the Rifle River flowing along its southwestern boundary.

At this point, Mr. Bell outlined aspects of the project. These include:

- 2,000 linear feet of trail – connecting the parking area to Rifle River and future Iron Belle Trail and future connection to downtown Omer.
- Picnic Area – can serve as a rest stop along the Iron Belle Trail. This will have access to the Rifle River for boating, fishing, swimming and nature viewing.
- Signage – entry sign will be placed at Arenac State Road. Interpretive signage regarding the Rifle River and local flora and fauna will also be provided.
- Parking lot improvements – larger gravel parking area with designed barrier-free parking spaces.

Mr. Bell pointed out various features of the existing park, connections to the Iron Belle Trail, the Arenac County Heritage Route Trail Plan and the City of Omer's Trail and Action Plans via maps on PowerPoint.

Mr. Bell also stated that the City of Omer will be part of the connection with Arenac County's Blue Water Trail.

Ms. Ann Richards, Oscoda Charter Township (Iosco County) – TF15-0144, Oscoda Beach Park Property Acquisition

Ms. Ann Richards, Community Development Coordinator, Oscoda Charter Township (Iosco County), made a PowerPoint presentation in support of the Oscoda Beach Park Property Acquisition project (TF15-0144). The township is requesting \$416,200 from the MNRTF, with a local match of \$146,300.

Oscoda Charter Township is on the sunrise coast of Lake Huron and along the banks of the AuSable River. It was declared a "Cool City" in 2006. The former Wurtsmith Air Force Base was also located here.

The township is located on the US-23 Heritage Route and is the gateway to the River Road National Scenic Byway. It is also part of the Sunrise Coast Birding Trail and of the Lake Huron Blueways.

Ms. Richards outlined various township recreation areas via photographs on PowerPoint.

Oscoda Charter Township has received two MNRTF grants in the past: \$44,800 (Beach Park Boardwalk Development) and \$460,000 (Beach Park Observation and Fishing Pier). In addition, the township received a Recreation Passport grant in the amount \$25,200 for the Oscoda Beach Skate Park Improvement project.

The township is breaking ground at Beach Park on a splash pad in collaboration with the Oscoda Lions Club. A Michigan Department of Environmental Quality Waterfront Redevelopment grant has been acquired for Riverbank Park enhancements. A grant from the Michigan Coastal Management Program was also acquired for Oscoda Sunrise Park improvements.

Oscoda Beach Park is located in the downtown business district. The park has approximately 1,025 feet of Lake Huron beach front and comprises nearly 11 acres and offers a wide variety of recreational opportunities. It was voted a Top Beach Town in Michigan with its well-known unspoiled pure sand beach.

The observation and fishing pier project was completed in 2012. This project includes:

- Construction of an 8' wide, 150' long boardwalk leading to a 12' wide, 300' long pier with handrails, seating and lighting.
- Creates a barrier-free link/universal access between existing boardwalk and the Lake Huron waterfront.
- Creates significant recreational and economic benefits.
- Creates linkage to a larger trail system/waterfront integration.
- Scenic viewing and wildlife observation.
- Creates fishing opportunities.
- Natural resource protection.
- Economic stimulus for the Oscoda downtown area.

The proposed acquisition is for the expansion of the Oscoda Beach Park, by preserving and protecting 2.04 acres of Lake Huron waterfront property for public access. This would enhance passive outdoor recreation opportunities and preserve natural habitat.

Other details of the project include:

- Proposed ADA compliant boardwalk.
- Incorporate environmental methods/features.
- Viewing/seating platforms for optimum observation opportunities.

- Provides needed interpretive areas, as well as great opportunities for community outreach and educational programming.

The project is overwhelmingly supported by Representative Pettalia and other organizations in the area.

Ms. Tula Alexander, Richfield Township (Roscommon County) – TF15-0059, Lake St. Helen Public Marina

Ms. Tula Alexander, Trustee, Richfield Township, made a PowerPoint presentation in support of the Lake St. Helen Public Marina project (TF15-0059). The township is requesting \$126,900 from the MNRTF. Local match will be \$39,800 General Fund, \$2,900 Forced Account labor and materials and \$12,100 donated labor and materials.

Lake St. Helen consists of 2400 acres. It has an 18-mile shoreline, but 15 miles are undeveloped and under a long-term lease with no public access allowed. It is located on the headwaters of the South Branch of the AuSable River and is one of Michigan's premier fisheries. It also offers rare opportunities to view and photograph various birds, animals and shoreline flora.

There currently are two marinas in the township: Artesia Beach Campground and Marina (supports the project) and D & B Marina (does not support the project).

Ms. Alexander outlined the leased (25-year lease from the DNR) and township-owned (purchased in 2014) properties via maps on the PowerPoint.

The leased site contains a boat launch, parking area, walking paths, benches and picnic area, universal access fishing pier and canoe/kayak launch, access route and three informational boards.

Scope items for the township-owned property would include a universal access public marina, parking area and handicap parking signs, canoe/kayak launch (relocated), informational board, 6-foot wide universal access sidewalk and three solar marina buoys. The property currently includes a swimming beach, playground, picnic area, basketball hoop and horseshow pit.

Plans and benefits for the St. Helen Public Marina include:

- 48 boat slips—24 transient slips (first come, first served); 24 yearly slips (awarded by lottery); and priced above private marina rates.
- Universal access design.
- Reduces long-term, well-documented boat slip shortage for daily, weekend, weekly and annual use.
- Reduces boat launch waiting times.
- Increases lake access for residents and visitors.

- Increases tourism and jobs, helps to strengthen the local economy.

Mr. Carl Muscott and Mr. Erv Crawford, property owners in Mullett Township (Cheboygan County) – TF15-0009, Topinabee Beach Park Improvements Project

Mr. Carl Muscott and Mr. Erv Crawford, property owners in Mullett Township, made a PowerPoint presentation in opposition to the Topinabee Beach Park Improvements Project (TF15-0009).

Mr. Crawford stated that he has strong feelings towards encouraging the best environment practices and promoting public access to local waters. For those reasons, he is not in support of the proposed Topinabee Beach Park improvements project.

Some of the prior park improvements included removing mature trees on the site (shown via photographs). Only three trees remained. The grade of the park was lowered and the play area was put behind a retaining wall. There was a loss of swings and shade trees in the park. A tree was removed to put in a driveway. After the park improvements, the park was closed to the public in the winter. The parking lot south of Topinabee Library was fully used prior to improvements; now there is a 32-inch wide foot path access across the property in the winter. The undefined parking spaces exceed the proposed hard-surfaced spaces with far less storm water run-off.

Mr. Crawford pointed out a photograph where it showed mature trees. If the park improvements project goes forward, those trees would be removed. He is opposed to that.

Mr. Crawford is on the parks committee. No one on the park committee was offered the opportunity to discuss any of the problems.

At this point, Mr. Muscott continued with the presentation. In 2009 and 2011, there were two failed attempts to receive TIGER grants for streetscape work, whereas the township applied to MDOT for a TAP grant. TAP grants do not pay for storm sewers or any infrastructure outside of the MDOT right-of-way.

In 2001, the township received a \$280,000 MNRTF grant for the park. Scope items included site preparation, observation and viewing plaza, signage and furniture, plantings, fencing, well/drinking fountain, retaining wall, ADA fishing/viewing deck and ADA play apparatus.

Mr. Muscott pointed out that a storm sewer designed to MDOT standards was never disclosed in the project scope. At a bid cost of \$24,070, not including excavation and site restoration, the storm sewer's cost was exceeded only by the cost of the ADA walkway. In addition, more than \$30,000 of the amenities and one-half the playground budget was cut from the grant. Many of these costs were later paid by township taxpayers or donors.

Mr. Muscott pointed out that the notice of hearing published in the local newspaper for the 2015 grant application makes no mention of a parking lot being one of the scope items—merely “various recreational improvements.” He also stated that the publication submitted with the grant application was changed from what was presented at the public hearing.

Mr. Muscott further stated that staff did not receive a revised cost estimate that includes the stormwater scope item that increases the cost of the parking lot.

Mr. Muscott asked that the MNRTF Board not approve the proposed project, as it negatively impacts the local environment with a sewer outfall adjacent to a public beach and funds a storm sewer serving an unbuilt MDOT TAP project.

Ms. Rachel Osborn and Mr. Tom O’Hare, Mullett Township (Cheboygan County) – TF15-0009, Topinabee Beach Park Improvements Project

Ms. Rachel Osborn and Mr. Tom O’Hare, Mullett Township (Cheboygan County), made a presentation in support of the Topinabee Beach Park Improvements Project (TF15-0009).

Ms. Osborn stated that Mullett Township is located in the middle of Cheboygan County. The project would be an investment and recreational opportunity for all of Northern Michigan, and offer further improvements to the Topinabee Beach Park on Mullett Lake. It will provide hikers and bikers access to the North Central State Trail and provide beach users, boaters, fishermen, kayakers and others using the park a safer ADA-friendly environment and the ability to participate in recreational opportunities.

The township is requesting a MNRTF grant in the amount of \$179,700, with a 25 percent local match from the township. The total cost of the project is projected to be \$239,600.

The park is accessible by water through the inland waterway, by US-27 or the North Central State Trail. The trail and the lake go directly through where the improvements will be made.

The township received a grant from the MNRTF to renovate the Topinabee Beach Park on the east side of the trail. The township provided a \$350,000 match. Donations towards the match were over \$30,000.

Scope items for the proposed project will be parking lots, rain garden, sidewalk connection to pavilion/trail, kayak/canoe storage rack, signage and landscaping/native plantings.

At this point, Mr. O’Hare continued with the presentation. He wanted to address the removal of the trees issue mentioned previously. They were removed to accommodate the ADA pathway from the trail down to the water’s edge. The pathway was a critical component of the park plan.

Mr. O'Hare further stated that as to the storm water runoff issue, there has not been an effective storm water system in place to handle the runoff from the highway to the parking areas and surrounding areas. A drainage system does exist along US-27, but it is decades old and is environmentally outdated. When the park was constructed, it incorporated a modern stormwater system that addressed the immediate concerns, but it also had the capacity to accommodate runoff from this project should additional stormwater systems be added, as is part of this plan. It was also designed to accommodate any future streetscape improvements.

Mr. O'Hare addressed the issue of community support for the project. In 2008, the Topinabee Development Association (TDA) was formed to respond to economic declines. The association has a membership of over 100 families and, in partnership with Mullett Township, recognizes that recreation is an extremely important aspect to the local economy. The TDA supports this initiative.

Mr. Jacob Von Boxel, Indian River Chamber of Commerce – TF15-0009, Topinabee Beach Park Improvements Project

Mr. Jacob Von Boxel, Executive Director of the Indian River Chamber of Commerce, made comments regarding support of the Topinabee Beach Park Improvements Project (TF15-0009).

Mr. Von Boxel thanked the MNRTF Board for their past support. This area is a tourism-based economy so this project would be a great attraction for visitors. The project would provide visitors access to Topinabee and Mullett Township, which would stimulate the economy for local businesses.

He also thanked Mullett Township and TDA for doing a great job to develop the tourism-based assets.

V. OLD BUSINESS.

None.

VI. NEW BUSINESS.

Update on MNRTF Staff Activities

Mr. DeBrabander outlined updates of various MNRTF staff activities:

- Grant Coordinators are in the process of doing site visits on applications received for 2015. This will be ongoing for the next month or two.
- Continuing to get caught up on Post-Completion Self-Certification Inspections. This includes MNRTF, Land and Water Conservation Fund, Recreation Bond and Clean Michigan Initiative grants. Linda Harlow has been working on these inspections. Sixty-

four of 83 counties have been completed. The National Park Service is very pleased with our progress on outstanding inspections.

- Staff has been working to resolve conversion issues. At the August MNRTF Board meeting, staff will provide an update on completed/status of conversions.
- The MiRecGrants database development is ongoing. This is the second year of the new system for applications. The “grant” side is still being developed. This has proven to be quite a challenging effort. Amy Matisoff continues to take the lead on this project. Feedback from local units of government has been positive.
- Board Policy 90.1 is the acquisition of land in public ownership. The policy states that the MNRTF Board will not assist in the acquisition of any land that is already owned by a local unit of government unless where state and federal law requires that the disposal of land be done by way of fair market value. Most of these are small transactions, and they have not been brought to the Board. If the transaction is of a larger nature, it will be brought to the attention of the Board. The Board will be asked if this transaction meets their approval. Staff requests that the Board relook at the Board Policy (staff will provide some suggestions for the Board to consider) for public discussion and possible actions at the August meeting.

The Board felt reviewing Board Policy 90.1 was a good idea. Mr. Cummings stated that there is a proposed issue in the Grand Rapids area involving public lands. He felt it would be irresponsible for the Board to move forward with any project without addressing the Board Policy first.

Mr. Cummings further stated that it is important to define the new policy cover things such as the current property not being used for outdoor public recreation, and also that we work on defining what a regional significant project is.

Director Creagh stated that another thing we are being challenged to do is occasionally look at rural areas and core infrastructure. In addition, we need to look at outdoor public recreation and natural resources and the impact it will have. He asked Mr. DeBrabander to look at any nexus relative to these issues.

Mr. DeBrabander advised the Board they will receive suggestions before the August Board meeting.

2015 MNRTF Applications – Invitees to Make Presentations at August 19, 2015 Meeting

Mr. Mayes advised the Board that a list of proposed applicants has been provided in their Board packages. If the Board has any other applicant they wish to have invited, let Grants Management know.

2014 MNRTF Annual Report

Ms. Liesman advised the Board that the 2014 MNRTF Annual Report has been completed and a copy has been provided in the Board's package. The format has been changed from previous years, as it contains color photographs of past grant-assisted projects.

The report has been posted on the DNR's Grants website, which includes more information regarding the funded projects.

Ms. McDonough stated that this is a great report, and staff may want to send this to key media outlets.

VII. STATUS REPORTS.

DNR Real Estate Report – State Acquisitions

Mr. Steve Sutton, Manager, Real Estate Services Section, Finance and Operations Division, DNR, outlined the DNR real estate report.

Since the Board meeting in April, one state acquisition project has been taken to Director Creagh for approval:

- Karen Fehner Parcel – Chippewa County - \$156,000 – TF13-132

Mr. Sutton mentioned that there had been some discussion regarding reporting to the Board transactions that have been closed. So far this year seven MNRTF transactions have been closed for \$4.8 million.

Completed MNRTF Projects Report

No discussion.

MNRTF Financial Report

Ms. Sharon Schafer, Chief of Finance and Operations Division, DNR, outlined the MNRTF projects financial report. There have not been a lot of changes in the figures on the report since the last Board meeting.

It is estimated that there will be approximately \$12.5 million available for 2015 MNRTF projects. Final numbers will be available in December.

Under the "Development" portion of the report, the reauthorization of lapses decreased because one of the local entities that have received a grant provided added documentation to increase

their final payment. Under the "Acquisition" portion, the reauthorization of withdrawn grants went up.

Ms. Schafer outlined the MNRTF corpus, Stabilization Reserve and Growth Reserve. The fund continues to make a contribution to the Growth Reserve from investments. The Stabilization Reserve is calculated at 5.5% return, with a distribution amount of 5%. The minimum Stabilization Reserve target is based on 10% of the corpus and Growth Reserve. The Board could allocate \$6 million from the Stabilization Reserve if they chose to.

Ms. Schafer stated that the Department of Treasury contacted her two weeks ago. They had a couple of notes that came due amounting to \$40 million. We authorized Treasury to reinvest this. This will slightly bring up the investment earnings.

Mr. Cummings commented that he feels it is important that we reiterate quarterly the purpose of the Growth Reserve. It is incumbent on the Board to preserve the MNRTF purchasing power. He also mentioned the target of the Stabilization Reserve being estimated at \$6 million.

MNRTF Land Consolidation and Line Item Department Projects

No discussion.

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

None.

IX. ANNOUNCEMENTS.

The next meeting of the Michigan Natural Resources Trust Fund Board is scheduled for 9:00 AM, Wednesday, August 19, 2015, DNR Outdoor Adventure Center (Globe Building), 1801 Atwater Street, Detroit, Michigan.

X. ADJOURNMENT.

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

The meeting was adjourned at 11:59 AM.

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

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

DATE