

**Minutes of the
Michigan State Waterways Commission
April 20, 2012**

Approved August 24, 2012

The regular meeting of the Michigan State Waterways Commission (Commission) was called to order by Chairperson Gary Marowske at 11:30 a.m. on Friday, April 20, 2012, at the Detroit/Wayne County Port Authority, 130 E. Atwater Street, Detroit, Michigan 48226. The following Commissioners were present:

Commissioner Gary Marowske, Chairperson
Commissioner Van Snider, Vice-Chairperson
Commissioner Al Declercq, Secretary
Commissioner James Hansen
Commissioner Janet Mansfield

The Department of Natural Resources (DNR), Parks and Recreation Division (PRD), Chief, Ronald Olson was attending a department wide strategic planning meeting and was not able to attend. Other PRD Liaison's were present.

I. PUBLIC APPEARANCE

A. Written Correspondence

There was no written correspondence.

B. Appearances (Non-agenda items)

Mr. John Jamian, Executive Director of the Detroit Port Authority, addressed the Commission for the Port Authority. He welcomed the Commission and recommended that the group look at the immediate area for development. Mr. Jamian mentioned Mr. John Kerr who is on the Port Authority staff, and who is Chairman of the Michigan Port Collaborative Board of Directors. Through the Port Authority, there are a number of programs available where they can assist in the development of marinas. Mr. Jamian thanked the Commission for visiting and using the facility for the Commission meeting.

Mr. Mike Bruce, Senior District Executive of the Thunderhead District of the Boy Scouts of America addressed the Commission with a goal to make the Commission aware of the Sea Scouts of Michigan, and to solicit support for the Sea Scouting Program.

Mr. Sam Anthony, of Highland Park addressed the Commission regarding the Grayhaven Marina. He is a former Chair of Grayhaven Boaters Association. He welcomed the Commission to the Port Authority. He solicited the Commission for

support with the Grayhaven Marina regarding stakeholders for safety and condition of the facility and transient boaters.

Commissioner Marowske mentioned that the Commissioners toured the Grayhaven Marina that morning along with St. Jean Boat Launch, Erma Henderson Marina, and Milliken State Park and Harbor. Commissioner Marowske reported that Mr. Steve Hume, Caretaker of Grayhaven has done a great job at Grayhaven. He said that the Commission is aware of these concerns that Mr. Anthony brought to their attention and they want to act as expeditiously as possible to prepare Erma Henderson and Riverside Park and Marina to be re-opened.

Mr. Jason Fleming from the PRD responded that there is a timetable to get these facilities up to safety standards. There is an individual in charge of our safety inspections and is in the process of looking at those issues. The DNR will be contacting the City of Detroit regarding their intentions for Riverside Park and Marina.

Commissioner Declercq mentioned that he feels the St. Jean boat launch should be a DNR priority to ensure that it is operational.

Mr. James Sarna, of Brighton, a slip holder in the Traverse City area, addressed the Commission regarding his concerns. The first concern was with Ludington Marina's low transient and gas usage, using Ludington as an example of what he feels should be done in Traverse City. He addressed an item from the Commission meeting minutes from August 5, 2005 regarding Traverse City obtaining more transient boaters.

Mr. Sarna wanted to know the status of the Cherry Festival parking situation. Mr. Fleming responded that the DNR has had contact with the Traverse City regarding the parking issue.

Mr. Sarna mentioned his concern for bathhouse conditions at Traverse City Marina.

Commissioner Declercq responded that Mr. Sarna should petition the boaters and address concerns with the local City Council. Commissioner Marowske thanked him for his comments and concerns.

II. ACTION ITEMS

A. Approval of the February 24, 2012 Meeting Minutes

MOTION: Commissioner Mansfield moved to approve the February 24th Minutes of the Michigan State Waterways Commission as presented. The motion was seconded by Commissioner Snider and it carried unanimously.

B. Approval of the Resolution to Amend MSWC Bylaws

MOTION: Commissioner Hansen moved to approve the Amended April 20, 2012 Bylaws as presented. The motion was seconded by Commissioner Snider and it carried unanimously.

C. Approval of the Sublease Alanson Lock to Emmet County

MOTION: Commissioner Mansfield moved to approve the Alanson Lock Sublease to Emmet County. The motion was seconded by Commissioner Hansen and it carried unanimously.

III. OLD BUSINESS (Information Items)

A. Committee Reports

Finance:

Commissioner Declercq gave an overview of the Finance committee meeting and praised Ms. Jackie Blodgett for the great job she has done with the spreadsheets that she provided, and the breakdown allowing the Commissioners to understand. The issues they discussed were:

- More details on Finance Report for
 - Fuel Cost
 - Column for notes
 - Use color to indicate changes
- Authority of the group.
- How can the Committee help?
- Focus on the Future years making the most impact.

Marketing:

Commissioner Mansfield gave an update on the committee meeting. They set their goals and mission, and issues discussed were:

- The mission of the marketing committee.
- The goals of the subcommittee.
- Who the Commission's audiences are for marketing.
- Tactics for improving photography.

One goal mentioned was, within ten years to average 80% more occupancy of the Great Lake boating community. The committee hopes to provide more communication, and they look forward to partnering with Pure Michigan, to do more photography. Commissioner Mansfield reported that Ms. Maia Stephens provided great ideas and energy to the group.

Facilities:

Commissioner Hansen reported that the Facilities conference call meeting went well. The committee set their ground rules, and issues discussed were:

- The Committee desires to develop a comprehensive list of state and GIA facilities.
- Ms. Vicki Anthes described PRD's Infrastructure Management Application

- (IMA), which inventories and assesses condition of PRD's infrastructure.
- A goal is to prioritize capital outlay needs, and to forecast needs into the future.
- Emergency funding and priorities were discussed broadly.
- Dredging needs are anticipated to increase.
- Revisit the core waterways program goals regarding harbor of refuge versus marina improvements.

Commissioner Hansen reported that Ms. Anthes was an invaluable resource to the Committee.

Revenue Enhancement:

Commissioner Snider reported that the Revenue Enhancement conference call meeting took place, and issues they discussed include:

- Transient and seasonal slip fees
- Promotional opportunities, e.g. the "Slip and Save" program
- Partnership opportunities between marinas, including promotions and cross-marketing opportunities
- Partnership opportunities with outside entities either private sector, non-profit or governmental
- Concierge services and opportunities

The committee will coordinate closely with the Marketing Committee on these issues.

Significant time was spent discussing issues that would fall under the purview of the Legislature such as boat registration fees, registration of non-motorized watercraft, and potential changes to the distribution of the state gas tax revenue. The committee will also keep an eye on any proposed changes to the gas tax as it relates to potential impact on the waterways funding structure.

B. Operations Update

Mr. Fleming reported on reservations, that the DNR is up 31% on slip nights from last year.

Mr. Fleming reported that the DNR is working on an Elk Rapids property issue. The Village purchased the property with intentions to make it available for boater use. He has been working with the Village explaining processes.

C. Recreation Passport

Mr. Fleming reported that the Recreation Passport numbers are up over February and March 2011, with 24.6% overall participation statewide. From October 1st, the overall participation rate is at 22.3%. The DNR is ready to sign an agreement partnering with Pure Michigan to add significant marketing in southeast Michigan. The district will begin seeing billboards along the highways in Wayne County possibly as early as May. The DNR is launching a huge effort to partner with Pure Michigan.

D. Project Status Update

Ms. Blodgett reviewed the GIA waterways line items; GIA lump sum allotments; State waterways line items; and State waterways lump sum distribution ending in April 2012. It was suggested that the Commissioners get these reports monthly with any changes noted in color. Ms. Blodgett provided the Commission with a draft organizational chart for the Planning Section and Resource Management for their review.

Commissioner Marowske requested that Ms. Blodgett provide an overview of old projects from the past three years for the next meeting. Commissioner Declercq requested a list of potential line items.

Mr. Paul Petersen gave a description of the Harbor Design Guide, which is to provide standards and guidelines for communities or private sector who sometimes will ask how we design boat launches.

E. Clarification Memo Re: Waterways Commission Authority

Commissioner Marowske asked for comments and there were none. He mentioned that it was good to receive in writing clarification of Commission authority.

F. Response to Renaming Division Resolution Update

Mr. Herta mentioned that Mr. Olson is engaged in a department wide strategic planning meeting which is what is referenced in the renaming letter. They will look at all the divisions and reassess what the different divisions should be named.

G. PRD Waterways Staff Duties – Draft

Ms. Blodgett reviewed the organizational chart showing the Commission who it is working with on the waterways side, and staff responsibilities regarding Resource Management, and the Planning Section broken down into units.

H. Financial Update

Ms. Blodgett provided a financial update for waterways for the period of October 1st to April 2nd, including revenues, expenditures and beginning and ending fund balance. Commissioner Declercq mentioned that Ms. Blodgett has implemented 100% of what the Finance subcommittee asked for to allow an understanding of the funds. The Commissioners also asked to add 2013 to the financial update document.

IV. EMERGING ISSUES

A. U.S. Army Corps of Engineers and Small Harbors Advocacy

Mr. Petersen reported on the status of the Army Corps of Engineers and Small Harbors Advocacy. A meeting was held in March with all the state agencies and the U.S. Army Corps of Engineers with LTC Michael C. Derosier who led the meeting. Commissioners were provided with a CD of that meeting. Mr. Olson was also in attendance at this meeting and stressed advocacy and support of the Small Harbors Coalition as well as talking about the Harbor Maintenance Trust Fund and the coalition's work with Senator Stabenow and Senator Levin to free up money for dredging the harbors. Ms. Anthes further stated that Mr. Olson mentioned he shared that this Commission prepared a resolution in support of the Small Harbors Coalition to indicate how important they are to the Commission, and to try and get this recognition for it.

Commissioner Snider reported that the DNR sent out a recent article about the Harbor Maintenance Trust Fund. He mentioned that the Senate passed *Senate Amendment 1830*, which was an amendment to the Transportation Bill that included the requirement to use all the funds that come into the Act. He feels that things are moving along in a positive direction.

V. NEW BUSINESS (Information Items)

A. Present Waterways Grant Applications (for action at June meeting)

Ms. Anthes reported that the DNR staff received the GIA project applications on April 2nd, and we have 26 applicants. The DNR focus in selections this year related to facility renovations and repair. Mr. Bill Boik reviewed a list of the projects categorized by emergency repairs, small projects, large projects and their priority. This is a list of projects for the Commissioners to review for recommendations.

B. Crystal Lake BAS Dedication

Ms. Anthes reported that the PRD is in the early stages of planning a dedication of the Crystal Lake BAS on June 7th, the day before the next Commission meeting which will be held in that same area. She went over the Dedication schedule of events and mentioned that PRD is sending out invitations, and posting the dedication on Facebook for the DNR. There will also be an announcement in the local media. Hold-the-date notices will be sent to the local legislators and officials.

C. Spring Video Conference

Mr. Petersen reported that the DNR is preparing to conduct a spring video conference with GIA and state harbors to share successes regarding marketing and/or revenue generating amongst the network of harbor communities. He provided the Commissioners with a timeline for the video conferences. The PRD may be asking some of the Commissioners to participate and possibly facilitate some of these discussions.

D. Federal BIG P Grant Project Considerations

Ms. Anthes reported that the PRD has a list of possible projects. Staff is looking closely at the criteria for what were thought to be potentially good projects. The State is held accountable for all pass-through grants to local communities for the life of the facility by the Federal government. The penalty for default can be the loss of future Federal funds to the State.

The meeting was adjourned at 12:30 pm.

The next Waterways Commission meeting is scheduled for Friday, June 8, 2012 in the Benzie County area.