

**Minutes of the
Michigan State Waterways Commission
Houghton Lake, Michigan
April 25, 2014**

The regular meeting of the Michigan State Waterways Commission (Commission) was called to order by Vice-Chairperson, Alex DeClercq 10:00 a.m. on Friday, April 25, 2014 at the Comfort Suites Conference Center, 100 Clearview Drive, Houghton Lake, Michigan 48629. The following Commissioners were present:

Commissioner Al Declercq, Vice Chair
Commissioner Dennis Nickels
Commissioner Ward Walstrom
Commissioner Jim Hansen
Commissioner Dennis Oldgrin
Commission Nicki Polan
Special Consultant R.J. Peterson

The Department of Natural Resources (DNR), Parks and Recreation Division (PRD) liaisons were also present.

Vice Chair, Alex Declercq introduced himself and announced that he would conduct today's Waterway Meeting in the absence of Chair Gary Marowske. With that, he opened the meeting with public comment.

I. PUBLIC APPEARANCE

- A. Written Correspondence – There was no written correspondence to the Commissioners,
- B. Appearances (Non-agenda items)

Vice Chair Declercq acknowledged that Representative Bruce Rendon was a guest in our audience today. Our first appearance was **Jack McCauley-Houghton Lake, Michigan**. Mr. McCauley came to the Waterway meeting with a concern of drowning's in man-made holes in the Houghton Lake (covering 4 townships) area. There are 51 holes within the townships. He believes the buoys will save lives and wants to place them in the holes. Apparently at one point there were buoys in these holes but they disappeared over time. He said that he came to the DNR under the impression that the DNR had to approve placing buoys in these holes by permit. Vice Chair, Alex Declercq designated Anna Sylvester, DNR, Northern Field Operations Chief to facilitate a resolution and help Mr. McCauley. Commissioner Nickels suggested that prior legislation that

was drafted pertaining to dredged, man-made holes may be obsolete and Mr. McCauley could work with Representative Rendon's office to review and introduce new legislation that would address this issue.

Craig Cotterman – Vice President of the Houghton Lake Association.

Mr. Cotterman came to the orientation session that was held prior to the commission meeting from 8:00 a.m. until 9:45 a.m. and said he was asked to leave the meeting by Darlene Moore of the DNR. He wanted to know if minutes were taken at the orientation session. He asked for a copy of this meeting's taped Waterways minutes and was advised that the tapes are unavailable but the minutes from the meeting will be approved at the next Waterway meeting and available online. Vice Chair Al Declerq expressed to Mr. Cotterman that they earlier session was an orientation for a new member. For clarification, the Waterway Secretary, Darlene Moore stated that she did not ask Mr. Cotterman to leave but simply stated that the meeting was an orientation and that items from the public meeting were not being discussed at that session. If a tape was desired, an individual can arrange to listen to the tapes and scheduling a time to do so.

Chris Yonker - City Administrator for East Jordan came to the commission meeting to thank the Waterway Commission for their assistance last year for dredging. Mr. Cotter introduced his marina manager, Tom Cannon who came to the meeting as well. The emergency dredging made it possible for the marina to stay open and continue business. He mentioned to the Commissioner's that the main issue now is a silt wall that needs to be built to keep the erosion from coming back. They also are in need of dredging to be able to open (8) slips that cannot be used at this time because of the silt that has built up in that area. East Jordan has submitted requests for two 2014 waterway grants, one of those being for the construction of the wall and one for dredging. He relayed the importance of the silt wall and dredging as being their top priorities at this time. He also commented that the lake levels have come up in the last year and are up again as of last week another 6 inches which is terrific for this year's projections and business.

Kyle Burleson – Deputy Director, Detroit Wayne County Port Authority (DWCPA) came to speak to the Waterways Commission and explain what his agency's role is. He indicated that even though they are primarily focused on the Detroit/Wayne County area they do have abilities to affect other waterway projects. One of those is assistance for large waterway projects through their ability to issue non-recourse revenue funds. He used East Jordan as an example of how that funding would work. East Jordan would come to them for assistance with the silt wall because they do not have the finances to complete the development. The DWCPA would enter into an agreement with the City of East Jordan and bond the project and then the revenue or a portion of the revenue from the project would be used to pay it off. The most important reason he came to the

Commission was to speak on ballast water and the laws pertaining to it. The DWCPA is concerned that even though the State of Michigan has standards for ballast water, there are far too many states that do not have any standards or laws governing ballast water. That water, for instance in Canada, comes into our waters. The DWCPA is working to bring the laws in Michigan up to the Federal standard for the Great Lakes because of the amount of vessels that come to and from them. By requiring all vessels to have the latest technology and providing the best equipment possible, we can make sure that ballast water from vessels coming to and from are not releasing undesirable things into our Great Lakes. The DWCPA is working with Representative Stallworth on a bill to increase these standards and will advise us as the legislation is drafted and put up for a vote.

II. ACTION ITEMS

A. Approval of the December 6, 2013 Meeting Minutes

MOTION: Vice Chair Alex Declercq asked for a motion to move to approve the minutes from the December 6, 2013 Waterway Commission meeting. The motion was put into place by Commissioner Grinold and was seconded by Commissioner Hansen and it carried unanimously.

Bill Boik, Programs and Grants Unit Manager, DNR talked about Resolution 4-2014-03 that was next on the agenda for a vote. This resolution is to support the Sustainable Small Harbor Management Strategy project. The project will be a collaboration between agencies and departments in setting mutual goals to provide a better product to the people of the State of Michigan. This resolution will propose an Integrated Assessment tool to gauge the goals in the harbor communities.

MOTION: Commissioner Ward Walstrom moved to approve Resolution No. 4-2014-03. The motion was seconded by Commissioner Dennis Grinold and it carried unanimously

Paul Petersen, Grant-In-Aid Manager, DNR explained Resolution 4-2014-02. Paul indicated that the handouts were included in the agenda materials. In those materials there was a letter from Ron Olson, Chief of the DNR and also a breakdown of the 22 applications that were received for request of Waterway grant money for specific projects. The funding amount available for grant awards this year is \$500,000. The total amount of the 8 grants that were awarded came to \$478,000. The remaining \$21,000 will be used for a buffer or smaller emergency projects.

- B. Resolution to approve 2014 grant application awards. Twenty two separate applications were submitted by the April 1, 2014 deadline. After staff reviewed and evaluated the completeness, program compatibility and eligible elements of the projects, (8) applications were selected for approval. Resolution No. 4-2014-02 gives approval to the (8) recipients of a Waterway grant award.

MOTION: Commissioner Dennis Nickels moved to approve Resolution No. 4-2014-02. The motion was seconded by Commissioner Jim Hansen and it carried unanimously

The next resolution moved to the floor was Resolution No. 4-2014-01. Commissioner Jim Hansen first spoke on a report from the Facilities Subcommittee in developing the language and the necessary requirements that will be in the 5-year plan and educational needs for the plan and a step by step chart for the harbors to work with to be successful.

Vice Chair Alex Declercq recommended the passage of this resolution so that the Facilities Committee can draft a second resolution that covers the small tweaks and revisions in order to start the process in June because there will not be any other committee meetings between now and June 1, 2014.

A subcommittee would to review the current grant requirements for a restricted fund and the need for a 5-year recreation plan for the community's harbor facility.

- Bring all communities into a 5-year Community Recreation Plan.
- Capital Outlay would coincide with solicitation cycles for grants.
- Communities need to incorporate harbor plans into their local Community Recreation Plan.
- The DNR may lift the Restricted Fund requirement from the Michigan State Waterways Grant Agreement once the community incorporates the 5-year harbor plans into their Community Recreation Plan. Accounting approaches, such as Enterprise Funds would be acceptable.

- C. Resolution No 4-2014-01 to approve changes to the Waterway grant requirements which creates a five year recreation or master plans and eliminates the restrictive fund requirement for future Waterways grants. Resolution No. 4-2014-01.

MOTION: Commissioner Jim Hansen moved to approve Resolution No. 4-2014-01. The motion was seconded by Commissioner Ward Walstrom and it carried unanimously.

There was additional discussion that the Facilities Subcommittee of the Waterway

Commission would draft a resolution with “revisions” to the “restricted fund” language.

Bill Boik further explained the workshops that will be held throughout Lower Michigan to educate people on the grant process. He addressed the restrictive Fund language and the changes that need to be done. He stressed the importance Of educating the harbors and how the 5 year plan will affect the entire community.

III. OLD BUSINESS

- A. **Emergency Dredging Program Update – Paul Petersen** discussed There is a summary of the dredging projects in the agenda packet The Emergency Dredge Program which provides the status as of Friday, April 25, 2014. 34 projects have been completed and there are 17 project completes. “Project completes,” defines projects that have had the work completed but still need to have the financial piece completed and to be paid.

Vice Chair Al Declercq took a moment to commend **Paul Petersen** and **Bill Boik** for the tremendous job they did in facilitating the 22 million dollars and how they managed the budgets and projects and coming in right on point. With all of the agencies involved in making these projects come to fruition is to be commend Paul and Bill in orchestrating the programs.

General Updates – Bill Boik explained there were some extra federal dollars allocated this year for dredging. The biggest job has been finding the areas to dump the spoils but felt they had been successful in accomplishing places to put it.

Operations Updates – Jason Fleming, Resource Management, Section Chief, DNR, went through statistics that have been tracked to this point. Jason addressed that some Grant-In-Aid harbor locations refused to accept the equipment from CAMIS. These locations felt they didn’t need the equipment because they weren’t processing payments and printing receipts. Because they are processing financial, sales, cancellations, refunds, etc. they are required by contract to be using the equipment. These locations have also been funded by Waterways dollars. The Operations subcommittee was cancelled from the previous session and Jason will work with Denny on operational subjects. He still feels there are many areas that don’t fall into one of the subcommittee areas and the Operations Committee would be valuable.

Financial Update – provided by **Jackie Blodgett, Chief of Program Services, DNR**. There was a budget chart and breakdown included in the agenda packet that Jackie discussed and reviewed with the Commission and answered any questions that the Commissioners had regarding the budget.

Legislative Update - The legislative update was provided in the packet. There were two Resolutions, HR 305 and HCR 22 that were suggested that a Resolution for Support to be drafted for the June Waterway meeting:

- HR 305 – A Resolution to Urge Complete Hydrologic Separation of the Great Lakes and Mississippi River Basins.
- HCR 22 – A Concurrent Resolution to Urge Complete Hydrologic Separation of the Great Lakes and Mississippi River Basins.

With conclusion of the Waterway Commission business, the meeting was adjourned.