

**Minutes of the  
Michigan State Waterways Commission  
December 16, 2011**

The regular meeting of the Michigan State Waterways Commission (Commission) was called to order by Chairperson Mike Bryanton at 9:00 a.m. on Friday, December 16, 2011, at the Quality Suites, 901 Delta Commerce Drive, Lansing. The following Commissioners were present:

Commissioner Mike Bryanton, Chairperson  
Commissioner Alex Declercq  
Commissioner Janet Mansfield  
Commissioner Gary Marowske  
Commissioner Van Snider  
Commissioner James Hansen

The Department of Natural Resources (DNR), Parks and Recreation Division Chief, Ron Olson, and other DNR staff were present.

**I. PUBLIC APPEARANCE**

A. Written Correspondence

There was no written correspondence.

B. Appearances (Non-agenda items)

**Mr. James Sarna, of Brighton, representing slip holders in the Traverse City area**, addressed the Commission regarding what he feels is a misuse of designated boater parking spaces during the Traverse City Cherry Festival. His concern is that the City is blocking out parking spaces on festival weekend citing this to be a non-compliant practice. He asked the Commission for authorization to use the parking lot again as in previous Traverse City Cherry Festival weekends. The PRD's Jason Fleming responded that he will address this further with details from the report of the Traverse City audit.

Mr. Sarna addressed the Commission with his concerns about the bathhouse stating that it is not maintained regularly. He presented pictures to the Commission of the floors and shower area.

Mr. Sarna further addressed the Commission regarding slip fees/rates and surcharges, and asked why the rates are going up specifically in Traverse City. He does not understand why there is a difference in rates between Traverse City and Elmwood when the two areas are close together. He claims this to be unsustainable for the middleclass boaters.

Commissioner Bryanton thanked Mr. Sarna for bringing these issues forward to the Traverse City Council. He assured that the relevant concerns would be addressed when the Traverse City Audit came up on the Agenda.

## II. ACTION ITEMS

### A. Approval of the October 21, 2011 Meeting Minutes

MOTION: Commissioner Marowske moved to approve the October 2011 Minutes of the Michigan State Waterways Commission as presented. The motion was seconded by Commissioner Mansfield and it carried unanimously.

## III. GREAT LAKES DREDGING AND HARBOR MAINTENANCE PRESENTATION BY: Mr. Chuck May, Chairperson of the Great Lakes Small Harbors Coalition (GLSHC)

**Mr. Chuck May, of Portage Lake, representing the Great Lakes Small Harbors Coalition (GLSHC)** addressed the Commission with a PowerPoint presentation showing harbors in the Great Lakes that he feels are in maintenance crisis, more specifically, dredging and infrastructure for the shallow draft harbors. He is concerned that the FY2012 funding budget does not include dredging sustainment funds for the harbors. He asked for support from the Commission to assist in the budget process by convincing the Great Lakes Congressional Task Force to carry and move this issue through the legislature. The PRD's Chief Ron Olson asked Mr. May to forward his presentation via e-mail to the Parks and Recreation Division staff and the Commissioners. Chief Olson also suggested that GLSHC contact House Member Al Pscholka who is considering a House Bill #4640 to begin talking about the idea of a type of sustainable funding for dredging recreational harbors. Commissioner Declercg stated that he is very sympathetic to this cause and will do whatever he can to help.

## IV. OLD BUSINESS (Information Items)

### A. National Recreation and Park Association (NRPA) Gold Medal Award

Chief Olson reported that Michigan was one of four finalists for the national state parks NRPA award given out in late October 2011. The award is given out every other year to state park systems for Excellence in Park and Recreation Management. Michigan qualified for the award largely through efforts in establishing partnerships; innovation such as the Recreation Passport and numerous other accomplishments. The new Straits Harbor and power generating wind turbines were featured in the awards booklet as models for Green and Clean, and for progressive thinking. Michigan is being suggested as a model state for our trails. Chief Olson further stated that in the Michigan Recreation and Parks Association quarterly magazine there is a summary and picture of DNR's Director Rodney A. Stokes, Bill Rustem Chief Advisor to the Governor, and himself.

## B. Recreation Passport Update

The PRD's Mr. Harold Herta reported that the Recreation Passport is currently showing a performance measure of 22% participation. The target sales goal for 2012 is 30%.

- Harold reported that the DNR is using two key marketing measures to boost Passport sales this year. The DNR is broadcasting a 30-second video message in 88 of the Secretary of State (SOS) branch offices to educate the public on benefits of the Passport.
- The PRD is also working on construction of the Passport Perks Program, with 800 businesses involved that are offering discounts.

Commissioner Bryanton asked if the 30% goal is realistic. Chief Olson responded that he believes it is a realistic goal to achieve, and we're hopeful it will become greater in the future. He reported that the percentage is up from 16 to 22 compared to 2011. Jason Fleming explained that once the new software is ready to use, it will allow dealerships to participate in the Perks Program which will be useful when transferring over registrations. The dealerships could purchase Passports for customers as a sales promotion. Implementation of this program is expected in early 2012.

## C. Boating Slip Reservations

Harold Herta reported that reservations are up 35% for the next boating season starting from November 1st. Taking into consideration that bookings are only 6-months in advance, Harold will recheck the numbers he is reporting. Chief Olson commented that although it is early to tell, people are starting to make plans despite the slow economy. The next 6 months will tell us more.

## D. Traverse City Harbor Audit – Final Update

Chief Olson reported that the audit by the DNR of the Duncan Clinch Marina in Traverse City was completed by Auditor, Thomas E. Reichard. In October 2011, a draft audit copy was provided to the Traverse City staff which gave the City an opportunity to review and respond. On December 12, 2011, the DNR staff had their first initial discussion with Traverse City staff regarding the draft audit. After the discussion the DNR completed and made the audit final without any changes.

The audit has one finding related to parking meter revenue. Parking meter revenue is not being deposited into the Marina Enterprise Fund, however is going into the Parking Fund of the City. The City is required to report back to the DNR once the revenue has been shifted to the Marina Enterprise Fund. If they do not comply, DNR has mechanisms to use that are in the agreement such as holding back other grants until they are compliant.

Commissioner Bryanton asked to see an estimate of that parking lot revenue. Chief Olson responded that he will provide that information to the Commissioners. Commissioner Marowske wanted to know the frequency of our audits.

Chief Olson responded that the DNR created a policy to perform audits. In the past 5 years the DNR has audited half of the harbors in the Grant-In-Aid system. The DNR also goes into communities to do surprise audits. Prior to that, several years passed without performing audits. The DNR is making progress and wants to continue. One difficulty the DNR faces is the significant staff reduction in the audit offices. The DNR is looking at a more reliable mechanism.

Commissioner Bryanton asked for a quick review on the history of the Traverse City audit. Jason Fleming responded that years ago the City of Traverse City asked for a variance request to help offset some of their bond payments they incurred for repairs and for work that had already been done. They were given a 5-year span going 30% above the State's premium rate. The City went in at 10-15% and the last two years went in at 30%. A lot of boaters were upset. They felt that it is a significantly greater expense to moor there than for other similar facilities. Several boaters wanted to look at the financial aspect, wondering if the funding was appropriately being funneled back to make payments. That is when the DNR put forth the audit. Jason also stated that although the Enterprise Fund Agreement says restricted funds, because of the way cash flow is coming in, the DNR recognizes that many communities are using Enterprise Funds to maximize the dollars. As long as the City can account for those dollars, the money is available for the marina to use and not used for things besides the harbor marina. The language is forty years old, but as times and finances change, the DNR makes adjustments. Commissioner Bryanton asked if they are operating under any type of authorized variance at this time, and Jason responded that they are not.

## **V. NEW BUSINESS** (Information Items)

### **A. Waterways Commission Retreat Overview**

Commissioner Snider reported that Commissioner Bryanton asked him and Commissioner Marowske to work on an agenda for the December meeting. They reviewed discussion items with Chief Olson and agreed to stay within items 1 through 4 of the agenda for the workshop. Discussions regarding items 1 through 4 included DNR Parks and Recreation 2009-2019 Strategic Plan; review of Capital Outlay with assistance from the Budget Office staff; Grant-In-Aid expenditures; and projections from FY12 and FY13. The Commissioners asked for input regarding prioritizing projects. They concluded that it would be advantageous for the Commissioners to be involved earlier on in the process to allow for a better understanding of project needs. Commissioner Bryanton suggested that they continue to work with Chief Olson on the February meeting agenda. Remaining agenda items will be addressed at that meeting.

### **B. Overview of the DNR Parks and Recreation Construction Crew Program**

The PRD's Roland Johnson talked about DNR's two construction crews, the Grayling Construction Crew and the Allegan Construction Crew. They each consist of one supervisor and three heavy equipment operators who are very talented in boating access site development, road construction, and construction in general.

When not meeting waterways project needs they provide other construction services at a lower cost to the department. They are experts and efficient at installing boating ramps. They work with boating access sites consistently.

### C. Project Status Reports

The PRD's Mr. Jordan Byelich talked about various state projects completed or nearing completion. Included is the \$1.1 million Crystal Lake Boating Access Site project in Benzie County, completed in late fall 2011 and now open to the public. The land was purchased over a decade ago with the intent to develop a boating access site (BAS).

Jordan Byelich then presented updates on various projects that the DNR is beginning to engineer and/or beginning the bidding process for construction, including:

- Union Bay State Harbor: currently a BAS near the Porcupine Mountains on Lake Superior; \$50,000 allocated to perform a study to analyze the need for building a break-wall to provide a safe harbor.
- Fayette State Park, Snail Shell State Harbor: \$400,000 budgeted of which a portion is from a Federal Grant (Boating Infrastructure Grant Program); scope includes dock replacement.
- East Tawas State Harbor: \$70,000 allocated to research the market demand to determine what improvements are needed.
- Port Austin State Harbor: three phase project for redevelopment; Phase 1 completed and included boat launch redesign and paving for approximately \$1.2 million; Phase 2 is replacing half the docks and bathroom facility for approximately \$3 million with anticipated completion next fall; Phase 3 would be for replacing remaining docks.
- Oman's Creek BAS: \$50,000 allocated for a study; partnering with the County to look at relocation options to a neighboring county park.
- Grindstone City BAS: \$360,000 project to redesign a facility and pave; funded through a federal grant source through the US Coast Guard; 2012 construction anticipated.
- Lake Fenton BAS: in Genesee County; approximately \$230,000 for a paving project; 2012 construction.
- Orchard Lake BAS: Approximately \$700,000 for paving project; 2012 construction.
- Selfridge BAS: in Macomb County; approximately \$1 million paving project; utilizing a federal funding source, Sport Fish Restoration.
- Bolles Harbor BAS: \$300,000 allotted for repaving the facility.

The PRD's Mr. Paul Petersen talked about Grant-In-Aid projects.

- St. Joseph West Basin Marina in Berrien County; \$100,000 State grant for a new boardwalk project around the harbor basin is substantially complete.
- St. Clair County; \$12,657 State grant for pavilion building improvements: including closing off the ends with windows and pedestrian doors; installing garage doors; heaters and new lighting is complete.

- Forest Home Township Park BAS on Torch Lake in Antrim County; \$40,988 State grant for improvements to the parking area, carry down launching dock, and accessible walk is substantially complete. The project will be finished off this spring with some adjustments made to the accessible walk grades.
- Lake Michigan Road BAS in Benzie County along the Platte River; \$76,500 State grant for improvements including a new launch ramp and dredging, riprap along the river, and paving was completed in October.

Jordan Byelich presented a slide of the map of Michigan that identified by location points all of the various State and Grant-In-Aid active projects. A count of the number of active projects for each was also included. This was done to provide an illustration of the distribution of active projects across the state.

Jordan Byelich presented a recap of various projects completed in 2011 by showing before and after project photographs of State and Grant-In-Aid projects across the state. This included: Indian River Boating Access Site (BAS); Lac La Belle State Harbor; Maxton Bay State Forest Campground BAS; Forest Home Township Park BAS; Helena Township BAS; Manistee Municipal Marina; Jones Landing Park BAS; and Crystal Lake BAS.

#### D. 5-Year Review of Boating Trends and 5-Year Trends on Fuel Sales

Jason Fleming talked about seasonal and transient rates, reporting a significant decrease in transient use in 2011. Issues that he reported include no lake access, and weather conditions throughout the season. Jason asked the Commission's approval to wait until the February meeting, to allow a more in-depth report. The Commissioners asked him to include percentages for gas and diesel fuel as well.

## VI. **NEW BUSINESS** (Action Items)

### A. Resolution Renaming the Parks and Recreation Division

Commissioner Bryanton gave the Commission the opportunity to read/review the Resolution, and then asked if there were any additions or changes to the Resolution. One minor change was offered.

MOTION: Commissioner Bryanton moved to approve the Resolution. The motion was seconded by Commissioner Marowske and it carried unanimously.

Commissioner Bryanton asked Chief Olson when the Resolution would take effect. He responded that the process may be completed in one month; however this is a Director's Order that must be routed through DNR's Director Stokes for his approval.

**B. Election of Officers – Chairperson, Vice-Chairperson and Secretary**

MOTION: Commissioner Snider moved to nominated Commissioner Gary Marowske as Chairperson. The motion was seconded by Commissioner Mansfield and it carried unanimously.

MOTION: Commissioner Hansen moved to nominated Commissioner Van Snider as Vice-Chairperson. The motion was seconded by Commissioner Mansfield and it carried unanimously.

MOTION: Commissioner Hansen moved to nominated Commissioner Alex Declercq as Secretary. The motion was seconded by Commissioner Mansfield and it carried unanimously.

**C. 2012 Meeting Dates and Locations**

Commissioner Bryanton asked the Commission for comments regarding the proposed 2012 MSWC Meeting Schedule. Chief Olson commented that the Commission should consider the Crystal Lake area as a meeting location in June. We would like to include a ceremony for renovation completion. The PRD's Ms. Vicki Anthes proposed a revision to the June and August meetings that were scheduled too close to holiday weekends. An adjusted schedule was agreed by the Commission. Additional information on meeting locations will be provided after the February meeting.

<u>Date</u>	<u>Time</u>	<u>Location</u>
Friday, February 24	9:00 a.m.	Lansing Area
Friday, April 20	9:00 a.m.	Lansing Area
Friday, June 8	9:00 a.m.	TBD
Friday, August 24	9:00 a.m.	TBD
Friday, October 26	9:00 a.m.	TBD
Friday, December 7	9:00 a.m.	TBD

MOTION: Commissioner Snider moved to approve the adjusted 2012 Schedule. The motion was seconded by Commissioner Marowske and it carried unanimously.

**VII. OTHER BUSINESS**

Commissioner Bryanton offered the audience a last opportunity to address the Commission. No comments were made.

MOTION: Commissioner Bryanton moved to adjourn. The motion was seconded by Commissioner Snider and this meeting of the Michigan State Waterways Commission adjourned at 11:30 a.m.

The next Waterways Commission meeting is scheduled for Friday, February 24, 2012 in the Lansing area.