The meeting of the Michigan Natural Resources Trust Fund (MNRTF) Board of Trustees commenced at 9:00 AM, Wednesday, October 17, 2018.

The following Board members were present:

Keith Creagh  
Steve Hamp  
Erin McDonough  
Bill Rustem

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


Vice-chairman Hamp called for the adoption of the minutes for the August 15, 2018 MNRTF Board meeting.

MOVED BY MR. RUSTEM, SUPPORTED BY DIRECTOR CREAGH, TO ADOPT THE MINUTES OF THE AUGUST 15, 2018 MNRTF BOARD MEETING. 
MOTION PASSED WITHOUT DISSENTING VOTE.

II. ADOPTION OF AGENDA FOR MEETING OF OCTOBER 17, 2018.

Vice-chairman Hamp called for the adoption of the agenda for the OCTOBER 17, 2018 MNRTF Board meeting.

MOVED BY MS. McDONOUGH, SUPPORTED BY MR. RUSTEM, TO ADOPT THE AGENDA FOR THE OCTOBER 17, 2018 MNRTF BOARD MEETING. 
MOTION PASSED WITHOUT DISSENTING VOTE.

III. INTRODUCTIONS.

The Board members introduced themselves.

Mr. Dan Lord, Section Manager, Grants Management Section, Finance and Operations Division, DNR, introduced himself and Grants Management staff: Mr. Jon Mayes (Recreation Grants Manager), Mr. Mike Chuff (MNRTF Financial Specialist), Ms. Merrie Carlock (Grant
Coordinator), Ms. Lindsay Ross (Grant Coordinator), Ms. Tamara Jorkasky (Grant Coordinator) and Ms. Erin Campbell (Grant Coordinator).

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

Vice-chairman Hamp stated that the announcement of the West Riverfront Park, now named Ralph C. Wilson Junior Riverfront Park, receiving $50 million from the Ralph C. Wilson Junior Foundation and another $50 million for trail connectors all around Southeast Michigan has made this an exceptional day for outdoor recreation, trails and parks.

IV. PUBLIC APPEARANCES.

Vice-chairman Hamp stated that he would recuse himself from the presentation regarding the Little Huron River, as that land is owned by his wife.

The following DNR Applications were presented to the Board by DNR Staff:

Ms. Heather Hettinger, Fisheries Division; Mr. Dakota Hewlett, Parks and Recreation Division; Ms. Kerry Wieber, Forest Resources Division; Ms. Valerie Frawley, Wildlife Division; Mr. Jon Spieles, Marketing and Outreach Division; Mr. Alex McCollough, Finance and Operations Division; Ms. Sandra Clark, Michigan History Center; and Mr. Matt Lincoln, Parks and Recreation Division, gave a PowerPoint presentation that outlined the applications submitted by the DNR.

Development Applications:

- TF18-0015, Hartwick Pines State Park Visitor Center Development, Requesting $300,000 – Presented by Ms. Sandra Clark
- TF18-0056, Belle Isle Park Development, Requesting $300,000 – Presented by Mr. Matt Lincoln
- TF18-0064, Saginaw Bay Visitor Center Renovation, Requesting $300,000 – Presented by Mr. Jon Spieles
- TF18-0083, Little Manistee River Weir Development, Requesting $209,000 – Presented by Ms. Heather Hettinger
- TF18-0087, Island Lake Recreation Area Regional Trail Development, Requesting $300,000 – Presented by Mr. Matt Lincoln
- TF18-0100, Waterloo Recreation Area Development, Requesting $300,000 – Presented by Mr. Matt Lincoln
• TF18-0082, TF18-0146, TF18-0149, TF18-0180, TF18-0151, TF18-0171, TF18-0173, TF18-0158, Trail Bridge Replacement/Rehabilitation, Requesting a total of $2,070,000 for all 8 projects – Presented by Mr. Matt Lincoln

• TF18-0152, Cadillac Customer Service Center Interpretive Trail Development, Requesting $299,300 – Presented by Mr. Alex McCollough

• TF18-0183, Pigeon River Country Discovery Center Development, Requesting $165,500 – Presented by Ms. Sandra Clark

• TF18-0219, Fayette Historic State Park Development, Requesting $50,000 – Presented by Mr. Matt Lincoln

Acquisition Applications:

• TF18-0113, Iron Belle Trail/North Country Trail Permanent Easement Acquisition, Requesting $200,000 – Presented by Mr. Matt Lincoln

• TF18-0134, Watkins Lake State Park Trail and Habitat Properties, Requesting $450,000 – Presented by Mr. Matt Lincoln

• TF18-0156, Cornish State Game Area Land Acquisition, Requesting $534,600 – Presented by Ms. Valerie Frawley

• TF18-0157, Thornapple Land Acquisition, Requesting $1,920,000 – Presented by Ms. Valerie Frawley

• TF18-0186, Tahquamenon Falls State Park River Property, Requesting $300,000 – Presented by Mr. Matt Lincoln

• TF18-0203, Garden Island Land Acquisition, Requesting $240,000 – Presented by Ms. Valerie Frawley

• TF18-0207, Iron Belle Trail – May Creek Greenway, Requesting $8,000,000 – Presented by Mr. Dakota Hewlett

• TF18-0208, Iron Belle Trail – West Riverfront Connections, Requesting $9,620,000 – Presented by Mr. Dakota Hewlett

• TF18-0238, Storey Lake Property, Requesting $2,737,500 – Presented by Ms. Kerry Wieber (Subsequently withdrawn)

• TF18-0245, Little Ocqueoc River Property, Requesting $200,000 – Presented by Ms. Kerry Wieber
Ms. Janet VanDeWinkle, Project Manager, Genesee County Parks

Ms. VanDeWinkle presented photographs of projects that are now renovated, or near completion, with help from the Trust Fund Board. In particular, the Chevy Commons area. Children were given free bikes and helmets and given the opportunity to enjoy this site, employees from the surrounding businesses and communities use this space to power walk and the Tour De Crim race that takes place in Flint changed the path of their course to include biking through Chevy Commons.

Mr. Chris Bunch, Executive Director, Six Rivers Land Conservancy

Mr. Bunch thanked the Grants Management Section staff of the Department of Natural Resources for all their help and the work they have done, both with the Trust Fund and with the Cooperative Invasive Species Management Area’s (CISMA). Mr. Bunch presented in support of the current application, TF18-0110, Brendel Lake Campground Acquisition in White Lake Township.

Mr. Todd Scott, Executive Director, Detroit Greenways Coalition

Mr. Scott presented his support of the applications submitted for May Creek and West Riverfront Connection projects. The Detroit Greenways Coalition has been trying to build a trail network for the past 10 years. There are 72 bike clubs in Detroit, which is more than any other city in Michigan.

V. NEW BUSINESS.

Vice-chairman Hamp announced that Chairman Sam Cummings has been reappointed to the Board. His term now extends until 2022.

Update on MNRTF Staff Activities

Mr. Lord outlined various MNRTF staff activities:

- Preliminary scores were made available on September 15th, 2018. Supplemental period for the applicants to improve their scores closed on October 2nd. Grants staff is now working on the final scoring. Those scores will be available the first week of November. Mr. Lord provided the Board with a current list of the projects both for acquisition and development. There are currently 173 applications, for a total request of $77,894,000.

- Grants has established the dates/times for the community recreational grant workshops, but still working to solidify the exact locations. Those will kick-off in January. This year MDOT has been invited to talk about their trail grants, as well as MEDC to talk about some of their community programs.
• Reminder about Senate Bill 551; this was enacted in June of 2018. To summarize; there will be a convening of the Governor, or his or her designee, the state treasurer, or his or her designee, the senate majority leader, or his or her designee, the speaker of the house, or his or her designee, and one member of the Michigan Natural Resources Trust Fund Board. By law, this has to happen before December 1st of each year. We are working with Anna Mooney to arrange this meeting. The Board decided that Director Creagh and Mr. Rustem would represent the Board at this meeting.

Project Withdrawals
• TF17-0099, Lyons Landing Acquisition. This property is no longer available, as it has been purchased by another party.
• TF17-0150, Barnett Property Acquisition. The property owner is no longer interested in selling.
• TF16-0139, Angel Cove Park Expansion. This property is no longer available, as it has been purchased by another party.

Mr. Rustem called for a motion to accept the withdrawal of Lyons Landing Acquisition (TF17-0099), Barnett Property Acquisition (TF17-0150) and Angel Cove Park Expansion (TF16-0139).

MOVED BY MR. RUSTEM, SUPPORTED BY MR. HAMP, TO ADOPT THE WITHDRAWAL OF LYONS LANDING ACQUISITION (TF17-0099), BARNETT PROPERTY ACQUISITION (TF17-0150) and ANGEL COVE PARK EXPANSION (TF16-0139). MOTION PASSED WITHOUT DISSENTING VOTE.

2019 MNRTF Board Meeting Dates

Mr. Mayes outlined the proposed 2019 Board meeting dates. These meeting dates and locations are:

February 13 – Lansing Area
April 10 – Lansing Area
June 12 – Battle Creek
August 14 – Traverse City
October 16 – Lansing Area
December 11 – Lansing Area

VI. STATUS REPORTS.

DNR Real Estate Report

Mr. Scott Goeman, Manager of Real Estate Services Section, presented on two acquisitions that have taken place since the last Board meeting.

• The Rittner parcel in Cheboygan County was purchased for $255,000. This is a 2 1/2-acre parcel along Black Lake. It has 340 feet of frontage along Black Lake.
• The Kuusisto parcel in Houghton County was purchased for $300,000. This is a 70-acre parcel that includes the Houghton-Douglas Waterfall, which is the largest waterfall in Michigan at 110-feet.

• The Sargent Sands property acquisition, a 100-acre parcel, which includes 60-acres of critical dunes, is close to being complete. They have been working with the family for 20 years on this acquisition, and led by Dr. Moritz’s efforts, they have come to an agreement for the first phase of this project. Purchase price for this is $17,000,000.

MOVED BY MR. RUSTEM, SUPPORTED BY MS. McDOONOUGH, TO APPROVE PHASE ONE OF THE SARGENT SANDS ACQUISITION WITH A PURCHASE PRICE OF $17,000,000. MOTION PASSED WITHOUT DISSENTING VOTE.

MNRTF Financial Report

Ms. Schafer outlined the MNRTF financial report.

Ms. Schafer stated that she was presenting a very abbreviated report, as the final numbers will be presented at the December meeting. The 2018 beginning investment balance was $604,000,000. The investment income is estimated at $30,200,000; this number is based on a 5 percent return, which is what Treasury was projecting at the February 2018 meeting. There is $200,000 of other income; which is from easements, etc. Lapses and withdrawals are at $3,500,000. That brings the total to $639,000,000. These numbers do not include any of the allocations for projects that will be approved in December. Grants staff, payment-in-lieu of taxes, Treasury’s investment services, total $3,700,000.

Based on Treasury’s recommendations, we would have $25,000,000 available for projects. Projects were revisited in April and an additional $9,500,000 was awarded. That would bring us to $604,000,000 at the end of this fiscal year. If we take 25 percent of the $25,000,000 available for awards, that leaves $6,200,000 for development projects and $15,000,000 for acquisition projects. In June of 2018, the Board approved $195,000 for the Scarlet’s Playground project. That amount would be deducted from the $6,200,000 available for development projects.

MNRTF Open Projects Status Report

No discussion.

MNRTF Completed Projects Report

No discussion.

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

None.
VIII. ANNOUNCEMENTS.

The next meeting of the Michigan Natural Resources Trust Fund Board is scheduled for 9:00 AM, Wednesday, December 12, 2018, Lansing Community College West Campus, 5708 Cornerstone, Lansing, Michigan.

IX. ADJOURNMENT.

MOVED BY VICE-CHAIRMAN HAMP, SUPPORTED BY DIRECTOR CREAGH TO ADJOURN THE MEETING. MOTION PASSED WITHOUT DISSENTING VOTE.

The meeting was adjourned at 10:47 AM.

Sam Cummins, Chairman
Michigan Natural Resources Trust Fund
Board of Trustees

Dan Lord, Manager
Grants Management Section
Finance and Operations Division

12·12·18
DATE