

MICHIGAN NATURAL RESOURCES TRUST FUND

BOARD OF TRUSTEES MEETING

Minutes of August 19, 2009
Lansing Community College West Campus, 5708 Cornerstone, Lansing
9:00 AM

The meeting of the Michigan Natural Resources Trust Fund (MNRT) Board of Trustees commenced at 9:15 AM.

The following Board members were present:

Keith Charters
Bob Garner
Dennis Muchmore
Lana Pollack

Mr. Torre 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.

Chairperson Pollack introduced the MNRTF Board members in attendance. Ms. Deborah Apostol, Unit Manager, Recreation Grants, Grants Management, DNR, introduced DNR staff in attendance. Staff included Ms. Linda Harlow, Ms. Jule Stafford, Mr. Jim Wood, and Chief of Staff Rodney Stokes. Mr. Wood introduced Mr. Sam Duncan, who will be joining Grants Management on August 24, 2009 as an accountant for the MNRTF.

I. ADOPTION OF MINUTES FOR MEETING OF JUNE 17, 2009.

Chairperson Pollack called for the adoption of the minutes for the June 17, 2009 Board meeting.

MOVED BY MR. GARNER, SUPPORTED BY MR. MUCHMORE, TO APPROVE THE MINUTES OF THE JUNE 17, 2009 MNRTF BOARD MEETING AS PRESENTED. PASSED WITHOUT DISSENTING VOTE.

II. ADOPTION OF AGENDA FOR MEETING OF AUGUST 19, 2009.

Chairperson Pollack called for the adoption of the agenda for the August 19, 2009 Board meeting.

MOVED BY MR. GARNER, SUPPORTED BY MR. MUCHMORE, TO APPROVE THE AGENDA FOR THE AUGUST 19, 2009 MNRTF BOARD MEETING AS PRESENTED. PASSED WITHOUT DISSENTING VOTE.

III. OLD BUSINESS.

Grants Management Database and Department of Information and Technology Charges

Mr. Joseph Frick, Chief of Office of Financial Services, DNR, outlined administrative charges to the MNRTF that are reflected on the Financial Report provided to the Board.

Mr. Frick focused on the Department of Information and Technology (DIT) expenses charged to the MNRTF for 2009, which were \$286,400. This amount is for overall IT management, system development and maintenance, programming, and client service contacts (30% of costs). Also included in this amount is desktop support. Each desktop station is charged \$845.00 per year (20%). Network support includes servers and switches (15%), geographic services (13%), data charges (9%), radio tower communications (7%), and general administration and enterprise security statewide initiatives (6%).

The Land Ownership Tracking System (LOTS) is a DIT-managed system that is used to manage the DNR's land and mineral resource records primarily from the MNRTF. About 90% of this cost is from the MNRTF. This is based upon the amount of revenue generated from various lands. The LOTS charge is based upon the actual hours billed by DIT. The costs have gone down from previous years due to loss of DIT staff and the system is now in a maintenance mode.

Mr. Frick continued to outline the other various expenses charged to the MNRTF on the Financial Report.

Chairperson Pollack questioned the increase in expenses for "Oil and Gas Audits" and "Cost Allocation Charges (Admin & Rent)." Mr. Stokes responded as far as audits, the MNRTF is only charged for the number of audits performed. Mr. Charters questioned the \$14,000 charge for Office of Communications.

Mr. Frick stated that the increase for "Grants Management" (\$595,246 in 2008; \$801,800 in 2009) was for improvements to the grants database.

Discussion ensued regarding MNRTF expenses on the report.

Mr. Charters stated that he does not want to see MNRTF funds shifted around, and in the future he would like to see more details in expenditures. Mr. Frick responded that there should be some savings that will lapse back to the fund due to furlough days, etc. Mr. Charters would like to see the savings after the year-end closings.

Chairperson Pollack asked where the lapsed funds go. Mr. Frick responded that per Board resolution, lapses on projects go into the Stabilization Reserve. Lapses in administration costs go back into the regular fund.

At this point, Chairperson Pollack introduced Representative Richard Hammel, who wished to make a presentation in support of 09-025, Barber Memorial Park Improvements, Montrose Charter Township, Genesee County.

Representative Richard Hammel – 09-025, Barber Memorial Park Improvements, Montrose Charter Township, Genesee County

Representative Hammel made comments in support of 09-025, Barber Memorial Park Improvements, Montrose Charter Township. This is the second time the township has submitted an application for this project. The project is good for the community and gains access to the Flint River. The river is a great asset to the community and Genesee County, and there have been efforts made to make it more accessible and attractive.

MNRTF Sign – Revised Language

Mr. Charters stated that Mr. Stokes and staff met to discuss revised language for the new MNRTF sign. Two versions were developed for the Board's decision.

MOVED BY MR. GARNER, SUPPORTED BY MR. CHARTERS, TO APPROVE THE FOLLOWING LANGUAGE FOR THE NEW MNRTF SIGN:

“Revenue derived from oil, gas and mineral production from state-owned lands provide funding for this public recreation site.

Funding is made possible through a grant provided to the citizens of the State of Michigan by the:

**Michigan Natural Resources Trust Fund
Michigan Department of Natural Resources”**

MOTION PASSED WITHOUT DISSENTING VOTE.

IV. NEW BUSINESS.

Staff from Michigan Department of Treasury – MNRTF Investments

Mr. Jon Braeutigan, Chief Investment Officer for the State of Michigan Retirement System, Department of Treasury, made a PowerPoint presentation outlining MNRTF investments. In addition, he is one of a team who helps make investments for common cash, State Retirement System, MNRTF and other DNR trust funds. With Mr. Braeutigan were Treasury staff members Mr. Paul Nelson, Administrator; and Mr. Dan Quigley, Investment Specialist, Long-Term Fixed Income Division. Mr. Woodrow Tyler, Deputy Chief Investment Officer is also part of the team, but was not in attendance.

Investments are reviewed every quarter. The last few years have been difficult in the stock market, being the worst since the Great Depression. Many funds, including bond funds, have posted negative returns. Mr. Braeutigan stated that the MNRTF did not report a negative return within the last 12 months.

Mr. Braeutigan stated that a presentation of investments, including the MNRTF, was made to the Natural Resources Commission on June 4, 2009. At that time, most of the MNRTF was in bonds or cash. At the end of March, there was 13% in equities, 15% cash and the rest bonds. A plan was presented to bring up levels to 25% equities and

75% bonds. At the end of July it was 19% equities, 77% bonds and 4% cash. Most bonds were switched from government to corporate as they provided a better return.

Discussion ensued with Board members asking questions about equities, stock market and bonds. Mr. Braeutigan could not predict what the outcome will be on September 30 (end of the state's fiscal year).

Chairperson Pollack wondered who rated the bonds. Mr. Braeutigan responded that the state subscribes to different credit insights and subscription services for all funds that the state benefits from.

At this point, Mr. Paul Nelson outlined the total market value, asset allocation, portfolio of bond and equity holdings and rates of return of the MNRTF for the Board.

Chairperson Pollack asked if the MNRTF Board could keep lapsed funds from projects that are withdrawn separate and not put them into the Stabilization Reserve and put these funds into short-term cash investments. Mr. Braeutigan responded that all cash is put into short-term investments. Mr. Frick added that the decision to put lapsed funds into the Stabilization Reserve goes back to equity investing when we wanted to build up a "cushion" reserve. The Board adopted a resolution stating that lapsed funds would go into the Stabilization Reserve. It is the Board's choice.

DNR Staff – MNRTF Lump Fund Utilization

Ms. Kerry Wieber, Forest, Mineral and Fire Management Division; Mr. Paul Yauk, Parks and Recreation Division; Mr. Steve Sutton, Fisheries Division; and Mr. Earl Flegler, Wildlife Division made a joint PowerPoint presentation on "lump sum" acquisitions.

Mr. Sutton outlined Fisheries Division acquisitions. Highlighted properties include:

- **Thornapple River, Eaton County** – new public access to river; connection to Nashville Dam; and management partnership with Eaton County Conservation District for outdoor education.
- **Pine River, Osceola County** – new public access to North Branch Pine River for hunting and fishing; there was very little public ownership or access to the North Branch, which is a state designated Natural River.
- **Dowagiac River, Berrien County** – purchase of existing private access use; management partnership with the City of Niles; and provides access to Lower Dowagiac and St. Joe mainstream.
- **Manistee River, Crawford County** – purchase of existing private access for public use; and provides access to the Manistee River per the Upper Manistee River Access Plan.

Ms. Wieber outlined Forest, Mineral and Fire Management Division acquisitions. These projects are in partnerships with other divisions, most specifically with Wildlife Division. Highlighted properties include:

- **Gwinn Forest Management Unit, Alger County** – critical 40-acre inholding consolidating state ownership; secures access to over \$500,000 of timber value; eliminates ¾-mile of private/public boundary interface; and includes 400 feet on Whitefish River.
- **Traverse City Forest Management Unit, Grand Traverse County** – 80-acre inholding; eliminates 1.5 miles of private/public boundary interface; completely surrounded by State Forest land; and contains northern hardwoods and a red pine plantation.
- **Pigeon River Country State Forest, Otsego County** – 83-acre inholding adjacent to Green Timbers; eliminates 1.5 miles of private/public boundary interface; completely surrounded by State Forest land; and protects critical elk habitat.

Mr. Flegler outlined Wildlife Division acquisitions. Highlighted properties include:

- **Allegan State Game Area, Allegan County** – 53 acres (Ellens Trust property); one-half mile frontage on Kalamazoo River (a designated Natural River); and sturgeon spawning habitat. Wildlife Division will also be using Statewide Waterfowl Habitat Acquisition funding for purchase. Also a partnership with Allegan County Parks for their boat ramp.
- **Gratiot-Saginaw State Game Area, Gratiot and Saginaw Counties** – 140 acres (Potter Trust); land purchased at auction. Wildlife Division will also use Turkey Habitat Acquisition funding and partner with Pheasants Forever for purchase.
- **Deer Range Improvement Program (DRIP) and Winter Deer Range** – 12,909 acres acquired partnering with MNRTF; conserves critical lands in deer yards or deer wintering complexes. Since beginning of program, over 20 square miles of habitat and 31 miles of trout streams protected.

Mr. Yauk outlined Parks and Recreation Division acquisitions. Highlighted properties include:

- **Muskegon State Park, Muskegon County** – 33 acres of land on Lost Lake Fen, which includes an additional 35-acre “gift of land” from the West Michigan Land Conservancy; completes ownership of significant coastal plain community (one of 40 remaining in Michigan); partnership and fundraising efforts by West Michigan Land Conservancy; and reinvestment and consolidation on Lake Michigan ecosystem.
- **Brighton Recreation Area, Livingston County** – 30.56- and 7.05-acre parcels (were land-locked inholdings); DNR had tried to acquire these parcels in the past and were now able to acquire at tax-reverted auction at a fraction of what the SEV was; and eliminated three-quarters of a mile of private boundary.

Ms. Wieber outlined a development project that used “lump sum” funding (Building Demolition Initiative). Highlights include:

- 23 buildings have been removed within four months.
- Over 100 buildings still remain to be moved.
- Have reduced liability and vandalism on state properties.
- Reclamation of critical habitat.
- Have expended \$144,000 so far. To save money, have been able to use Parks and Recreation Division construction crew during off-season to complete demolitions rather than contracting out.

Ms. Wieber concluded by stating that “lump sum” funds are critical to the DNR for the following reasons:

- Critical to reinvestment of DNR land holdings and accomplishing land consolidation within established project areas and increased public water access.
- Involvement from each resource division ensures that the principles of ecosystem management are applied to all land acquisitions.
- Lands acquired with eco-regional land consolidation (lump sum) grants are critical to reinvestment and consolidation.
- Acquisition of inholdings saves extensive staff time and money by eliminating trespass, easement requests, management issues, etc.

Mr. Muchmore stated that the DNR has been criticized for acquiring lots of land in obscure locations that not many people use. He wondered if an analysis was done of properties that are consolidated. Mr. Yauk responded that the DNR tries to have a balanced approach. Lump sum funding was used for the Detroit River parcel. The DNR tries to acquire parcels in southeast and southwest Michigan where the majority of the population is located. In addition, the DNR is trying to secure more fishing access sites.

Mr. Stokes made the comment that perhaps the DNR should start focusing on land holdings—what it means to own the lands for people to recreate. He will speak to Director Humphries and Ms. Sharon Schafer, Chief of Office of Budget and Program Services to start having a portion of DNR’s budget presentation to the Legislature focus on land holdings and what we are doing with them.

Chairperson Pollack encouraged the representatives of local unit of governments in the audience to contact their legislators to let them know about the MNRTF and what the DNR is doing in their districts.

2009 MNRTF Acquisitions – Secondary Deadline – August 3, 2009

Ms. Apostol advised the Board that Grants Management received 12 local and one DNR acquisition applications by the August 3, 2009 secondary deadline. The total request for the 12 local acquisition applications was \$17.3 million and \$650,000 for the DNR application, with a total of \$17.9 million for the secondary deadline.

The grand total of requests (175 applications) for 2009 is \$115.5 million.

09-019, Riverfront Trail West Development-Phase II, City of Otsego – APPLICATION WITHDRAWAL

The application is being withdrawn by the city due to lack of matching funds.

09-016, Portage Lake Wetlands Acquisition, Village of Onekama – APPLICATION WITHDRAWAL

The application is being withdrawn by the village due to lack of matching funds.

Mr. Garner suggested that the Board may want to take a look at the issue of matching funds in the future. He is concerned with smaller or less affluent communities not getting grants simply because they cannot come up with the local match.

MOVED BY MR. GARNER, SUPPORTED BY MR. MUCHMORE, TO APPROVE THE WITHDRAWALS OF 09-019, RIVERFRONT TRAIL WEST DEVELOPMENT-PHASE II, CITY OF OTSEGO; AND 09-016, PORTAGE LAKE WETLANDS ACQUISITION, VILLAGE OF ONEKAMA. PASSED WITHOUT DISSENTING VOTE.

V. STATUS REPORTS.

DNR Real Estate Report

Mr. Ed Meadows, Manager, Real Estate Services, Office of Land and Facilities, DNR, outlined the DNR Real Estate report. He highlighted the properties acquired for trails.

Mr. Meadows stated that many of these properties would not have been possible to acquire without the assistance of partners – MNRTF, land conservancies, local units of government, federal agencies and others.

Mr. Meadows continued by stating that many of the properties were acquired as a result of a bankruptcy proceeding, tax auction, tax foreclosure or Act 123. Under the law, the DNR has the right to first refusal, but required to pay two times the state equalized value. In the last month, five properties have been bought at four auctions, two of which were on line. The authorized expenditure for these properties was \$176,000 and they were bought for \$26,000.

Mr. Meadows further stated that there will be a number of Director's Action properties on the September Natural Resources Commission agenda, including trail properties. In addition, the DNR is on track to close on the Detroit Riverfront Conservancy property by September 30. Mr. Meadows also stated that the Kamehameha Development Rights project (TF05-133) is hoped to be completed before the end of September 15. Staff is working with the partners to finalize closing statements and other documents, so when the federal Forest Service agrees to release the funds, the DNR will be in a position to close.

Chairperson Pollack asked if the costs being requested on the acquisition applications that have been submitted this year could possibly cost less when the final appraisals are done. Mr. Meadows said it is possible, but it depends on what and where the property is. Chairperson Pollack asked staff to be cognizant of this fact when making their recommendations to the Board.

Discussion ensued regarding properties and appraisals.

Financial Report

No further discussion.

Local Projects Completed Report

Ms. Apostol stated that five projects have been completed—two acquisitions and three development projects—since the last Board meeting. No further discussion.

Open Projects Status Report

Ms. Apostol stated the Board has received this report in their packet. Chairperson Pollack stated that she continues to have an interest in being able to spot an appropriate time when a project is not going to be completed. Mr. Stokes responded that if projects are in an appropriation that is three years old, and the property has not been acquired or finished with development, the local unit is contacted to withdraw the project. Funds from a withdrawn project are put back into the MNRTF for other projects.

MNRTF Lump Sum and Line Item Department Projects

Ms. Apostol stated that the Board has been provided with this report. No further discussion.

Grants Management Outreach Report

Ms. Apostol outlined the Grants Management Outreach Report. All the organizations have been very enthusiastic and cooperative. There are three meetings to be held in October that will be joint meetings with organizations.

VI. PUBLIC APPEARANCES.

Mr. Michael Gray, Assistant County Executive; Mr. Don Tilley, County Commissioner; Bay County; and Mr. Rob Eggers, Spicer Group – 09-027, Pinconning Park Improvements

Mr. Michael Gray, Assistant County Executive for Bay County, made a PowerPoint presentation in support of 09-027, Pinconning Park Improvements. This park is over 200 acres located on the Saginaw Bay (part of the Lake Huron ecosystem). This originally was a state public access site and was transferred from the DNR to Bay County in the 1980s and has been a county park since then.

The proposed project will provide access to fishing and nature trails, as well as providing universal access to all to enjoy the natural area.

Mr. Rob Eggers continued by outlining aspects of the project via an aerial photograph of the area. What makes the project desirable is it is located on Lake Huron in the Saginaw Bay area. It has its own basin and a peninsula that juts out into the bay. In addition, there is a river south of the park (Pinconning River). There are wetlands, woodlands and natural features. There is an existing campground and day use area.

Many of the park features have limited access. You cannot get to many of the wetlands or Pinconning River. There is limited fishing and beach access. The overall goal of the project is to improve and provide accessible routes for everyone using the park by making it universally accessible.

The proposed improvements are a pathway, floating fishing dock, fishing platform on the Pinconning River, cement campground pads and cabin improvements for universal accessibility, archery range, playscape for day use area and interpretive signs regarding wetlands and fishing opportunities.

Mr. Eggers further stated that this project meets the goals of the MNRTF Board by providing resource protection, access to the resources, improvements to wetlands and woodlands, water access and fishing access, community recreation, urban recreation, and economic development.

Mr. Gray continued by highlighting the universal accessible designs of the project. Bay County has always ensured that all facilities meet or exceed Americans with Disabilities Act requirements. The county has always done a good job of building and maintaining facilities with grants received in the past. In addition, the county has had a long history of commitment working with stakeholder groups.

Mr. Muchmore asked if crushed stone paths would work for wheelchair-bound users. Mr. Gray responded that this was discussed and this is a viable surface to use.

Mr. Garner asked if hunting was allowed in the park. Mr. Eggers responded that many waterfowl hunters use it. Mr. Garner asked where the archery range would be located. Mr. Eggers responded it would be near the parking lot area, south of the entrance. Mr. Garner asked if bow hunting could be investigated to be allowed in the park.

Chairperson Pollack asked where the match would be coming from. Mr. Gray responded most of it would be from the county and in-kind services.

Mr. Eric Rutherford, Director, Parks and Recreation, Bridgeport Township – 09-092, Liberty Park Improvements

Mr. Eric Rutherford, Director of Parks and Recreation, Bridgeport Township, made a presentation in support of 09-092, Liberty Park Improvements. The township submitted an application for this project last year and has made some modifications for improvement.

The township has acquired 12 acres that will be an addition to the current park. There will be a universally accessible surface added that will be used for a variety of sports and special events, approximately one mile of trails, and universally accessible restroom facility.

The township is asking for a \$500,000 grant, and currently has \$700,000 committed toward the match--\$100,000 from the township and \$625,000 from 14 different foundations throughout the region.

Ms. Marsha Blackman, Parks and Recreation Committee, Village of Colon – 09-049, Colon Community Park Development

Ms. Marsha Blackman, President, Parks and Recreation Committee, Village of Colon, made a presentation in support of 09-049, Colon Community Park Development. She introduced Mr. Tom Tenny, Board Member; and Ms. Nancy Percival, Parks and Recreation Committee and Village Council Member. The Village of Colon is located in southwest Michigan and is known as the “Magic Town” as the famed magician Harry Blackstone was from Colon. A Magic Festival is held every year, the second week in August.

Colon Community Park is 3-1/2 acres of abandoned railroad land. Over six years, \$200,000 was raised for the park. Michigan State University students in the Landscape Architecture Program designed the park plans. In 2008 the plans were completed and groundbreaking took place for the pavilion. In 2009, the pavilion was completed. Picnic tables, trees, and parking lot were added. The village received a grant for \$1,000 to plant trees.

The village is requesting a MNRTF grant for a universally accessible playground, amphitheater, walking/bike trail, basketball court/ice skating rink, horseshoe pits, sand volleyball, benches, grills, lighting and wetlands boardwalk. The village is requesting a grant of \$250,000.

Mr. Mike Thompson, Supervisor, Egelston Township – 09-073, Sunset Beach Recreation Improvements

Mr. Mike Thompson, Supervisor of Egelston Township, Muskegon County, made a presentation in support of 09-073, Sunset Beach Recreation Improvements. He introduced Mr. Tom Mosher and Ms. MaryLou Huffman, members of the Parks and Recreation Committee members. Citizens from around the area use Sunset Beach at no cost. Township residents are very enthusiastic for the proposed improvements to the park.

Development would include accessible fishing pier, picnic tables, expansion of parking, handicapped accessible restrooms, pavilions, replenish beach with clean sand, benches, buoys and concrete walks. The cost of the total project is approximately \$106,000, and the township is requesting \$86,800 from the MNRTF. The township match would be \$26,500.

Ms. LuAnn Maisner, Parks and Recreation Director, Meridian Charter Township – 09-068, Central Park Fishing Dock; 09-069, North Meridian Road Park Development; and 09-070, Towner Road Park Development Project

Ms. LuAnn Maisner, Parks and Recreation Director, Meridian Charter Township, in Ingham County, made a PowerPoint presentation in support of 09-068, Central Park Fishing Dock; 09-069, North Meridian Road Park Development; and 09-070, Towner

Road Park Development Project. In attendance with Ms. Maisner was Mr. Mark Stephens, Park Commissioner.

Ms. Maisner outlined 09-068, Central Park Fishing Dock, which is the smallest of the three proposed projects. This project consists of developing an accessible fishing dock in Central Park. In 2008, the township received a grant from the National Recreation and Park Association and Recreational Boating and Fishing Foundation to purchase fishing equipment to promote fishing in the community. The township provides fishing events throughout the year. Mr. Stephens is the fish coordinator at Michigan State University. Adding a fishing dock is the next step in the process. The total project cost is \$40,000 (\$30,000 being requested from the MNRTF).

Ms. Maisner outlined 09-069, North Meridian Road Park Development. This is for the construction of a handicapped accessible restroom facility in North Meridian Road Park. The park currently contains two soccer fields, nature trails, playground and sledding hill. During the soccer season, both fields are filled to capacity and in the winter, the sledding hill is packed. Currently, the only restroom facility is a Porta-Potty. The total project cost is \$150,000 (\$112,500 being requested from the MNRTF).

Ms. Maisner stated that the township's highest priority project is 09-070, Towner Road Park Development Project. Development would consist of grading and seeding for athletic fields and related amenities, accessible multi-use trails and boardwalks. The township's five-year recreation plan clearly identifies the need for such facilities. The township's need for sports fields is critical.

The township is proactive in acquiring, preserving and restoring natural areas. The township has a land preservation millage that funds acquisition, preservation and maintenance of environmentally-sensitive lands in the township, and provide lead stewardship and restoration activities in these areas. In addition, the township has a full-time nature center that offers environmental education programs and activities. The township spends hundreds of thousands of dollars a year acquiring, managing and educating the public about its natural environment.

The Towner Road Park is located in the northern portion of Meridian Township which is deficient in athletic fields. The popularity of the game of lacrosse has grown dramatically, so need for open space fields is even greater. There is tremendous community support for this project. The total cost of the project is \$1.2 million (\$500,000 being requested from the MNRTF).

This is the second year this project has been submitted for possible funding. The township has not received a MNRTF grant since 2001.

Mr. Stephens made comments in support of the proposed projects. The township has a 1/3rd millage for recreation. The Towner Road project, in particular, is a beautiful piece of property that is the last place in Meridian Township that athletic fields could be developed. He urged the Board to consider all of the township's projects as they all tie together closely.

Mr. Garner expressed the fact that the township has received over one million dollars from the MNRTF over the years; Ingham County has received over four million dollars.

In addition, the township has also received Recreation Bond, Clean Michigan Initiative and Land and Water Conservation Fund grants in the past.

Chairperson Pollack stated that the challenge is that the MNRTF program does not fund sports fields. Projects funded are more natural resource-based. She suggested that the township come back with a natural resource-oriented project.

Mr. Mark Emmendorfer, Supervisor, Montrose Charter Township – 09-025, Barber Memorial Park Improvements

Mr. Mark Emmendorfer, Supervisor of Montrose Charter Township in Genesee County, made a presentation in support of 09-025, Barber Memorial Park Improvements. This is the second time the township has submitted an application for the project. The community is very supportive of the project, and has \$150,000 of General Fund monies have been committed towards the match.

The project would include developing an ADA-compliant restroom, shore fishing/viewing platforms, playground, path extensions and signage. The citizens in the surrounding areas of Clio, Flushing, Birch Run and New Lothrop also use the park. The township is requesting a grant of \$348,500 from the MNRTF, with a match of \$150,000.

Ms. Nancy Crandall, Past President, Rotary Club; and Ms. Judy Kell, Interim Director of Employment and Training, Muskegon County – 09-038, Muskegon Lake Coastal Wetland Restoration

Ms. Nancy Crandall, former legislator, former mayor of the City of Norton Shores, and past president of the Rotary Club, made comments in support of 09-038, Muskegon Lake Coastal Wetland Restoration. She introduced several county, city, school and other representatives in attendance supporting the project.

Two years ago, the Rotary Club discussed the possibility of a rotary park in downtown Muskegon. One of Muskegon County's commissioners suggested that the county commit \$300,000 from the sale of property towards the park, the Rotary Club would raise the same amount and the county would apply for a MNRTF grant to obtain the property from the Muskegon YMCA. This property is adjacent to Heritage Landing Park and would become Rotary Park at Heritage Landing. The county would be responsible for the development and maintenance of the park.

This property is 4.2 acres in size located on two sides of the existing YMCA building and includes 1,076 feet of Muskegon Lake frontage. The YMCA wanted to sell the property to the county to keep it in public use. The property is adjacent to Heritage Landing on the north and the city's Hartshorn Marina on the south. The county has adopted a resolution of support to acquire the property and committing \$300,000. The Rotary Club would be responsible for a share of the match.

The area has a history of state involvement. Heritage Landing Park was a collaborative funding effort that included MNRTF funding. The City of Muskegon's Hartshorn Marina was developed using state funding. As to the restoration of the lakefront in downtown Muskegon, there has been a long-term partnership between city, county and state. With Federal Great Lakes Legacy Act, EPA and NOAA funding, the lakeshore and its waters are being cleaned and ready for public use.

This project will increase the size of public access to the public park and recreation activities.

Ms. Judy Kell continued with a PowerPoint presentation. The county views the project as implementation of the “Four Rs”—recreation, reclamation, restoration and resource collaboration. This project would develop an urban park in the City of Muskegon. There are several schools located within walking distance of the park. The park will provide access for inter-city residents to use recreational trails, a mass transit system and a waterfront park. There also is a high population of disabled citizens residing in Muskegon County. The county would also develop a partnership for scientific research with Grand Valley State University, the local schools and the Marsh Monitoring project (a national project with the EPA and Canada to monitor species in marshlands).

Ms. Kell pointed out the trail areas and other aspects via a map of the proposed property. Acquisition of this property would:

- Place land in public trust
- Create a buffer of native marsh and wetland vegetation
- Increase habitat for migratory and nesting ducks
- Increase the opportunities for fishing
- Water activities for individuals with disabilities, such as canoeing and kayaking
- Extends the bicycle and hiking trails along the edge of Muskegon Lake
- Expands fishing opportunities
- Provides water sports for inner-city youth

Ms. Kell stated that there were many partners involved with the project—Muskegon County, Muskegon Rotary Club, YMCA, Great Lakes Legacy Act, EPA, NOAA, City of Muskegon, Muskegon Lake Watershed Partnership, Marsh Monitoring Program, and Grand Valley State University’s Water Institute.

Chairperson Pollack asked if the project includes a bridge to Heritage Landing Park. Ms. Kell responded no. Chairperson Pollack stated that if the two areas could be connected, it would increase the use of the property.

Mr. Muchmore asked if there was a boat launch in the area. The response was there is a launch at the Hartshorn Marina, to the south and west of the site.

Mr. Muchmore asked if the citizens of Muskegon are going to use this site. The MNRTF Board recently changed its criteria to appeal to urban use. Ms. Billie Bruce, Muskegon School Board member, responded the local schools are in desperate need of recreation for children, many of whom are from low income families. An elementary school is located very close to the park site, and teachers and students are encouraged to use it.

Mr. Muchmore asked if the county had talked to the Great Lakes Fishery Trust about funding. He felt this project would be of interest to that program. Ms. Kell responded she will contact staff involved with this program to inquire about funding. Mr. Muchmore further stated that the Great Lake Fishery Trust program has an education component that is concentrated on urban education for natural resources.

Mr. John A. Scholtz, Director, Parks and Recreation, Ottawa County – 09-075, Grand River Ravines Acquisition

Mr. John Scholtz, Director of Parks and Recreation for Ottawa County, made a PowerPoint presentation in support of 09-075, Grand River Ravines Acquisition. The project is close to the Grand Rapids urban area.

For the past 15 years the county has been focused on greenways along the Grand River, Pigeon River, Macatawa River and Lake Michigan coastline. Next to the Lake Michigan shore, beaches and dunes, the Grand River is the most significant natural resource interest in the county. The county is trying to piece together a greenway corridor to link a trail along the river corridor between Grand Haven and Grand Rapids.

Mr. Scholtz pointed out the location of greenway projects in the county and the location of the proposed Grand River Ravines acquisition via maps.

The acquisition is approximately 100 acres of forested land with approximately 1100 feet of frontage on the Grand River. The Michigan Natural Features Inventory ranked this location high on their 1988 survey, calling it one of the 15 best natural areas in the county.

Mr. Scholtz further stated that the county received a grant from the MNRTF in 2000 to acquire the property. At the same time, the county bought the adjacent property as it became available. At the last minute, the property owner backed out of the deal. The county now has been successful in securing an option. Chairperson Pollack asked what the price was back then compared to what is being requested at this time. Mr. Scholtz responded that the cost back then was \$1.25 million and the cost now is \$1,440,000, with \$720,000 being requested from the MNRTF.

Mr. Scholtz continued to describe various aspects of the property and proposed trails. Acquisition of the property would provide hiking trails, nature interpretation, canoe and kayak access and livery, accessible site to view, a barrier-free building for group rentals and programs, picnic areas, fishing access and non-motorized trail linkages. Fees would be charged for the rental of the building, but not to access the property.

Mr. Lukas Hill, Community Development Director and Mr. John Nash, Supervisor, Spring Lake Township; and Mr. Ryan Cotton, Village Manager, Village of Spring Lake – 09-112, North Bank Trail Development (Spring Lake Township) and 09-015, Grand River Greenway Non-Motorized Trail (Village of Spring Lake)

Mr. Ryan Cotton, Village Manager of the Village of Spring Lake, made a PowerPoint presentation in support of 09-112, North Bank Trail Development and 09-015, Grand River Greenway Non-Motorized Trail. The township and village have collaborated with recreation projects for over 30 years. The project has been supported by all surrounding communities.

The village started the first part of the path using the old Grand Trunk Railroad. The village and township would like to see this trail extended all the way to Grand Rapids. Phase I of the village project, 09-015, Grand River Greenway Non-Motorized Trail, would include 16 new slips, accessible bathrooms, canoe/kayak launch and wildlife viewing/fishing areas.

Mr. Lukas Hill, Community Development Director for Spring Lake Township, continued by outlining via a map where the projects are located. The township's project, 09-112, North Bank Trail Development, would include completion of approximately 1.5 miles of separated bike path along the railroad grade. This will be an 18-mile regional trail connecting Spring Lake to Coopersville.

Mr. Cotton continued the presentation by describing various aspects of the Grand River Greenway via maps. Green infrastructure will be used for the boardwalk, signs, bike rack and solar powered dock bollards.

The proposed projects meet five MNRTF goals by:

- Resource Protection – provides wetlands education and invasive species elimination.
- Water Access – 16 slips, four fishing areas, canoe/kayak launch and two wetlands viewing areas.
- Community Recreation – universal access, trail linkages and bandshell access.
- Urban Recreation – core areas of Spring Lake, Spring Lake Township and Ferrysburg will be linked.
- Economic Development – provides downtown linkages and the Development Authority has pledged \$109,000.

Ms. Allison Bishop, Community Development Manager; and Mr. Paul Cousins, Councilman, Village of Dexter – 09-028, Mill Creek Park Development

Ms. Allison Bishop, Community Development Manager for the Village of Dexter, made a presentation in support of 09-028, Mill Creek Park Development. The park is 24 acres. The village is requesting \$500,000 to develop the downtown section of the park.

Mr. Paul Cousins, Councilman for the Village of Dexter, continued by stating that the creek in the village was dammed from 1824 until last year. In 1995, the DNR recommended that three dams on the Huron River system be removed. The village spent over \$200,000 to remove the dam to create the park. The project has been supported by all surrounding local units of government.

Ms. Bishop continued by stating the village has worked with Washtenaw County Parks and Huron-Clinton Metropolitan Authority to connect the village's project with their hike-bike trail. This would provide 15 miles of trails in and around the Village of Dexter. Plans also include for the hike-bike trail to extend from the Village of Dexter and City of Ann Arbor, where there is already a link to the City of Ypsilanti. The village has also been working with Scio Township, who received a MNRTF grant last year.

The project would provide canoeing, kayaking, walking, nature viewing, boating and future connection to the regional trail system. The project is adjacent to the downtown area which would provide more economic development. The Downtown Development Authority has invested over one million dollars in street improvements and other projects.

Ms. Bishop further stated that the village has received \$96,000 from the Waterways Fund for boating access along Mill Creek.

The project meets all five of the MNRTF Board's goals. The project is in the downtown area that was not previously accessible to the public. There will also be fishery habitat improvements along the creek. Chairperson Pollack asked how this portion was being funded. Ms. Bishop responded the village has applied for a fisheries grant, as well as a \$48,000 from the U.S. Fish and Wildlife Service for removal of the dam and to create the fishery habitat.

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, October 21, 2009, Lansing Community College West Campus, 5708 Cornerstone, Lansing, Michigan.

ADJOURNMENT.

**MOVED BY MR. GARNER, SUPPORTED BY MR. CHARTERS, TO
ADJOURN THE MEETING. PASSED WITHOUT DISSENTING VOTE.**

The meeting was adjourned at 1:10 PM.

Lana Pollack, Chairperson
Michigan Natural Resources Trust Fund
Board of Trustees

James Wood, Manager
Grants Management

DATE