



July 25, 2022 - 10:00 AM
Oceana County

I. **CALL TO ORDER** – 10:22 AM by Chairperson Bonnie McGlothin

II. **ROLL CALL QUORUM: Yes**

Commissioners Present

Mason County: Lewis Squires, Kathy Winczewski
Muskegon County: Kim Cyr, Rachel Gorman, Jennifer Hodges, Bonnie McGlothin
Newaygo County: Bryan Kolk, James Rynberg
Oceana County: Ron Christians, Phil Morse
WMSRDC Appointees: Rich Houtteman

Commissioners Absent

Lake County: Len Todd
Mason County: Ron Bacon
Muskegon County: Marcia Hovey-Wright, Roger Morgenstern, Rillastine Wilkins
Newaygo County: James Maike
Muskegon CC: Vacant
West Shore CC: Wendy Gradwohl Wells
WMSRDC Appointees: James Kelly, Andrea Large

Staff/Guests Present: Erin Kuhn, Amanda Snyder, Jamie Way
Gary McKeen, Richard Raffaelli

III. **APPROVAL OF AGENDA**

Motion was made by Commissioner Rynberg and supported by Commissioner Morse to approve the agenda for the July 25, 2022. Motion carried.

IV. **APPROVAL OF MINUTES**

Motion was made by Commissioner Kolk and supported by Commissioner Squires to approve the Commission meeting minutes of May 23, 2022. Motion carried.

The June 27, 2022, executive officer's meeting minutes are attached for information.

V. **PUBLIC COMMENT – AGENDA ITEMS**

Gary McKeen, Oceana County Planning Commission and Oceana County Parks Commission introduced himself. He commended Erin and the WMSRDC staff on work well done regarding the Stony Creek project. WMSRDC, working together with the Conservation Resource Alliance, has secured about \$1.5 million for environmental projects in the county.

VI. **CHAIRPERSON'S REPORT** – Commissioner McGlothlin thanked Oceana County and Peterson Farms for hosting today's meeting. She stated that she had a comment but would save it for the Staff Presentation.

VII. **EXECUTIVE DIRECTOR'S REPORT**

Transportation – Both the Transportation Improvement Plan (TIP) and the Unified Work Program (UWP) were approved by the Transportation Policy Committee at their regularly scheduled June meeting. The documents are now awaiting final approval by the Michigan Department of Transportation (MDOT) and Federal Highway Administration (FHWA) which is expected in August/September.

Economic Development – Work on the Pandemic Response and Recovery Plan (PRRP) is completed. They did a fantastic job! It is available on our website and will dovetail into our Regional Comprehensive Economic Development Strategy (CEDS) and County Hazard Mitigation plans. The PRRP will be emailed to board members, EDA, and local partners as well.

Environmental – The Great Lakes Areas of Concern (AOC) conference held in Muskegon on May 24-26 was a huge success. Participants enjoyed great tours (bus, walking, bike, and water) of Muskegon. There are several NOAA fish passage and natural resources funding opportunities coming up. Notice of Funding Opportunities (NOFOs) are due in August and September. If you know of any other projects, especially relating to fish passage, please contact us.

Local Government Services/GIS Mapping – WMSRDC is ready to sign a contract with Oceana County for a master plan and recreation plan. We are also contracting with Newaygo County to prepare their county recreation plan. We have received funding from all three community foundations to fund the White River Economic Impact Study.

Asset Management – Michigan Infrastructure Council will begin the third Asset Management Champions class on August 24. Erin noted that anyone interested in the program can sign up through the MIC's website. They are also looking to have a program tailored for elected officials in early 2023. Erin's term as president of Michigan Association of Regions (MAR) is completed. She will remain active with the statewide association. Rich Houtemann talking about DPW and truck rodeos; are we reaching out to new officials? Yes, we are.

VIII. **FINANCIAL STATEMENTS – ACTION ITEM**

Amanda presented the June 2022 financials. WMSRDC is nine months through the fiscal year. Fringe and indirect are doing well, and she will watch those as we near the end of the fiscal year. Cash is in a strong position. Erin and Amanda will be looking at the current year budget amendment. They will talk with staff regarding pending grants to enter in the FY 2023 budget. Motion was made by Commissioner Christians and supported by Commissioner Rynberg to approve the June 2022 financials. Motion carried.

IX. **STAFF PRESENTATION – INFORMATION**

Erin Kuhn and Amanda Snyder – WMSRDC By-laws Review and Discussion

Commissioner McGlothlin stated that there is going to be a presentation on the proposed by-law changes, but first noted an issue that has been going on for several months which has resulted in the by-law updates. She asked Rich Houtteman, who first voiced his concerns, to share them with the board.

Commissioner Houtteman: "I think there are a couple of areas I think we could look at to use the wisdom of the board in a little more effective way than we do today. I think sometimes it feels like, compared to a lot of other organizations we represent, there may not be similar connectivity to our

administration like we would experience in the organizations we represent back home. Sometimes what that creates is maybe an environment where, does the director in conjunction with the chairperson have some unofficial ways of dealing with certain expenditures or contracts that doesn't necessarily have to happen that way. That puts risks on those folks, that isn't necessary, always. They are doing a great job. That's not the issue. It's just, there are some philosophical things that come along with some of those decisions that the board probably should have a little engagement in. Is our house on fire? Is everyone doing a good job? Sure. Some of the examples that were discussed in May were to use as examples to show where some engagement could occur, some guardrails. Certainly, a dollar expenditure amount for agency purchases would come to the board for consideration should they exceed a certain amount. I was a little disappointed, Chair McGlothlin, and I feel the recommendations brought forward to the executive committee (the by-laws are fine for the most part) frankly, were a little retaliatory. They talked about how to remove a board member. I don't think by-laws are a big issue. I don't think what is reflected in the draft by-laws address some of the concerns of this board. I think if you really are going to look at the by-laws in earnest, I wouldn't feel it is necessary to slam through changes in September. This doesn't have to affect the passage of the budget or the workplan. I think if a committee was formed and took the balance of the calendar year, I don't think this organization would be hurt by that. It would be nice to hear more voices and to see the executive committee align more through this process, in conjunction with staff. The executive committee should navigate this process and add more folks to get more engagement as we govern ourselves in how we interact with the staff this would be a great outcome for all.

Commissioner McGlothlin: Do you want to put more restrictions on the expenditures or do you want...

Commissioner Houtteman: We tried to show some examples where the board could have more engagement. Is it a couple of subtle adjustments? I think it could be. If anyone else wants to speak up, it doesn't have to be just me.

Commissioner Gorman: As a new person on the board, I would be happy to look at the by-laws with outside eyes. I want to protect Erin and the draft is a great first step. I would be committed to participating on a by-laws committee. I'm super proud to be on this board. I've looked up to Erin my whole professional career.

Commissioner Rynberg: As the senior member of this board, I've watched this organization change from previous executive leadership to Erin's leadership. As the Mayor of the City of Fremont, I know how important it is to step back and let people do their jobs, providing oversight. I think that's what this board is supposed to be doing. To get mired in to the day-to-day, is a dangerous avenue to go down. If it's not broke don't mess with it. Under Erin's leadership this organization has flourished. Erin is a proven leader not only in Michigan but in the Midwest. I don't see any further outreach or changes are needed.

Commissioner Kolk: I agree with the mayor. We don't want to be too manipulative, but the board does need to approve expenditures. Large expenditures should be brought to the board. I also would like to see a contract with Erin as well.

Kim Cyr: Is there not some level of expenditure in authorization where something needs to go to the board for approval?

Amanda: We present a budget each September. All of our year's expenditures are within that budget. We do not spend outside of our budget because we are grant funded. Agency expenditures don't really exist because we pay for them with grant funds. We don't pay for major expenditures out of a general fund. Any contracts that we enter into have expenditures already

planned for within a grant proposal. Anything outside of that budget is a rare occurrence and hasn't happened since I've been here. Erin noted the office remodel in 2015 when the Commission borrowed money. That expenditure was approved by the Board.

Commissioner Houtteman: The agency has to put out RFPs for any contract over \$25,000. The board doesn't have any engagement in this process. This board approves the work plan and the budget for year and then steps away and does not have actual engagement on agency purchases. If this is the only official action of the board, then we are essentially an advisory committee. Philosophically as a board we have to decide if that is adequate or should there be more oversight. If Erin got an offer and we need a new director? How would we hire a new director without a contract? The board is trying to understand how to do our job as board members in a way that is supportive but gives guidance and structure. Not to be meddling.

Commissioner Rynberg: I do not understand what the point is to all of this. The organization has run so well. All the employees, including Erin, are at-will employees so I don't understand why we need to add that extra layer of responsibility.

Commissioner Hodges: For the last few months I have sat back and listened. I believe we are going into the weeds a little bit. While the board is governing the operations of WMSRDC, we are not a government. WMSRDC uses grants and some membership dues for funding their budget. WMSRDC already is held accountable to their grantors, so the board does not need to do this. Also, many boards are moving away from contracting with their directors. If our director is comfortable not having a contract to keep her on, there is no need to do this. I appreciate going over by-laws and policies occasionally to evolve and change with the times. We are here to ensure we see results of our memberships and our grants.

Amanda: I report on ninety-five percent of our grants monthly, in fine detail. We do engage our grantors often. Since I came on board our yearly audits have been clean. Our auditors have commended us on our internal controls and policies especially in light of Covid.

Commissioner Squires: Although I am new on this board, I haven't heard any negativity at all from my county on the WMSRDC board, projects, or procedures. We need to move forward.

Commissioner Morse: As an administrator, the last thing I want is to feel like my hands are tied to be able to make certain decisions. You are held back from being as effective as you can be. I do not want to go there with the leadership of WMSRDC. I would be interested in seeing an itemized breakdown of each staff members benefits. This would provide more transparency.

Amanda: I would be happy to give a detailed presentation at the September board meeting. This way the board can see the budget and how it ties to our grants.

Commissioner Winczewski: I echo the previous comments from commissioners. I think the Administration is doing a great job running WMSRDC. If we want to look more closely at various expenses, I'm fine with that, but I don't want to tie WMSRDC's hands either. It will only hamper creativity and goals.

Commissioner Houtteman: I do agree that things are running well with WMSRDC. I understand it is different than a government agency. The last time the car lease was reviewed was back in 2014 when Erin became executive director, so I just think it needs to be looked at again.

Erin: Prior to my becoming director, we never had officer's meetings. Because I felt there was a need for additional transparency, we began to meet on the off months. When I became executive director in 2014, the previous director bought out the car lease. The car leases he had for decades

never went to the board, so the process of taking this to the executive committee began with me. The finance manager created a spreadsheet showing pros and cons of a car lease, car allowance, or mileage reimbursement to discuss with the officers, and it was agreed by all that the vehicle lease was the most financially responsible choice. This has been the process for renewing the vehicle lease since that time. If there had ever been any objections to me signing the lease, I would not have signed it. Regarding the building lease, this is the second lease I have signed since 2014. The board was presented with our current lease at the January board meeting, and there were no questions. If there had been concerns about the building lease, I would not have signed it and more detailed conversations would have pursued. I have no issues with the board and officers officially voting on lease expenses. If the board feels like I need to have a contract, that's fine. Spending limits are already set by the grants.

Peterson Farms director, Richard Raffaelli: I am COO of Peterson Farms, a multimillion-dollar business. My best job is Shelby Township supervisor. My second-best job is CAB of the executive committee of a federal committee that manages cherries in the US. I have that hybrid of private business, municipality, and federal government, governed by the USDA. I'm in total agreement with the mayor. I have 22 people that report to me here. I empower them through the budgeting process to go out and manage a \$22 million budget. They are overseen by the finance manager (which you have – by the way, she's overseen by the feds and states who go through every single penny). The worst thing you can do as a board is micromanage the executive director. This is absolutely the worst thing for retention. If I'm micromanaged, I raise my hand and I'm out of here. It is the responsibility of the finance manager to bring the budget and expenditures to the board. Your role as a board, if you want inclusion, is to be strategic about the region. I have calculated about 220 years of experience in this room. Utilize those 220 years in how you bring projects forward versus nitpicking over leases and approved expenditures.

Commissioner McGlothlin: Does anyone have other items for discussion before we go over the by-laws? Is there interest in forming a by-laws committee?

There was no motion made to form a by-laws committee.

Commissioner Kolk: Let's move forward with the review and discussion of the by-laws.

Commissioner Hodges: Once the by-laws are updated, there should be a review of the WMSRDC policies/procedures.

The process for reviewing the by-laws: After the internal control's presentation at the last board meeting, it was agreed that Erin and Amanda would update the current WMSRDC by-laws. Part of the process for change was reviewing ten sets of by-laws including other regional planning agencies and MPO's and incorporating relevant ideas in the WMSRDC by-laws. Draft 1 was reviewed at the June officers' meeting and is brought to the full board today for review and comments. Today's changes to Draft 1 will be taken to the officers' meeting in August for review and comment. Draft 2 will be submitted to the full board at the September meeting for either review and comment or approval. Comments from Commissioner's not in attendance today are listed below:

Erin, Thanks for your note. You have and are doing a fantastic job. I would have to agree with some of the board members that any building, grounds, and contractors for buying or leasing of vehicles should be done by the board instead of on your shoulders as the director. Sometimes others looking at things can be very helpful. With different knowledge comes different ways of helping succeed.
- Ron Bacon, Mason County

Erin and members of the executive committee, I don't believe the revisions, as presented, capture the spirit of what I thought was a very positive and encouraging discussion we had at the May board meeting. I believe the revisions transfer more authority to the Executive Director position. Instead, I think it is the executive committee needs more authority to set parameters for the executive director with such things as spending limits that cannot be exceeded without Board of Directors approval. While I understand the concept of having the Executive Director on the executive committee as an ex officio member, having this group act on behalf of the board of directors, because of timing issues, gives too much power to the executive director if that person is a member of the executive committee. This is NOT about Erin. This is about the structure that needs to be in place for now and years to come. I think this review needs to be done right, and not right away. I know Erin sent along WMSRDC policies and procedures. I have not had a chance to review those yet, but I think these should all be considered together by a special review committee. I would be happy to serve on that committee. Thank you all for your commitment to our communities and this organization.

- Roger C. Morgenstern, Council member at large, City of Norton Shores

Erin, I think the by-law edits are fine for the most part, however there is one section I would question. Article III Section 6: Communication - I'm comfortable with 6b and 6c but am concerned about 6a and the message it sends. I don't think there should be any limitation in communication, or the need for executive approval required for communication, between the board and staff. I think the natural response from some will be what are they hiding? I think as much transparency as possible within any organization is important. As an executive leader I would put the focus on a staff policy that requires staff to share with the executive director any noteworthy conversations with board members that are initiated by board members. I think that would address the concerns you are perhaps looking to address without creating the perception of evasiveness. I'm hoping that made sense but am happy to clarify if you have any questions.

- James Kelly, District Director, MSU Extension

By-laws were reviewed and those with comments are listed below:

Article III

Section 1: Representation Structure: We changed Municipality to City and Village. Commissioner Hodges asked that the definition of "Charter" be defined as Charter Member.

Section 2: Qualifications for Representatives: We put in writing the current process for how WMSRDC names and selects At-Large Appointees. Commissioner Houtteman clarified that only the three at-large appointments are made by the executive director. It was suggested to add "Regional At-Large Appointments" to the description. Commissioner Houtteman asked if this process prohibits the executive committee from selecting? Erin stated that in the past both she and the committee have suggested people and agreed to make that clarification

Section 5: Removal: Commissioner Houtteman stated a "2/3 majority" vote would be better than just "majority" to vote out a board member.

Section 6: Communications: Erin received feedback from Commissioner Kelly that this section was too harsh and did not promote transparency. Remove 'consent' of the executive director from two places. (Erin asks that if a commissioner emails an employee, that they copy her as well.) Section (a) should begin with 'Official regional commission' instead of "Communication...".

Section 7: Compensation: This should say, "...the Board member may be reimbursed for their reasonable expense incident to their duties..." Add: 'if not reimbursed by their agency/municipality'.

Section 9: Executive Committee: Erin noted that she is a non-voting member and already attends all the meetings. This simply puts it in writing that the executive director should be at all meetings. Commissioner Houtteman felt it was not necessary to have this in writing as it is inferred the executive director attends. Commissioner's Rynberg and Morse said this should be kept as is. Commissioner Morse stated that the executive committee should never meet without the executive director.

Article V: Financial Affairs (this will be moved to after Article IV)

Section 2: Contracts and Grants: – Erin stated that her authority to sign leases is in the resolution presented to the board every September and can be tweaked if the board chooses. We have time until the next office and car leases are up to discuss it further and make changes as decided by the board. Copiers and other purchases are paid by grants. Commissioner Christianson asked if all extra expenses (overhead) for the commission are covered under the indirect cost rate. Erin stated that expenses get spread out over all the grants which are overseen by the grantors. The rate is finalized after our audit is finalized.

Commissioner Houtteman appreciated Erin reached out to other organizations to compare the by-laws. But if the board is okay with it, it would be appropriate for Erin to ask other agencies how they handle vehicles and building leases and if they have a spending authority. Erin stated that she has asked, and every agency handles it differently. Commissioner Houtteman just wants to create an environment where communities know it's fair and transparent.

Article IV: Organization

Section 2: Board Officers: (i) Secretary: Erin stated that the Secretary will review and sign off on board minutes before they are sent to the board. Commissioner Hodges asked if someone else should review the minutes if the Secretary isn't at the meeting. It was agreed that the Vice-Chairperson should review minutes if the Secretary is absent.

Section 5: Meetings: This section assures we are in line with the Open Meetings Act. Commissioner Squires asked if it would be possible to have some Zoom meetings. Erin stated that we can have Zoom meetings, but because of the Open Meetings Act, the meetings would not be official and therefore, we could not have an official vote on anything. Commissioner Houtteman asked if it would be possible to have two informational meetings via Zoom and four in-person official meetings per year. Commissioner Squires asked if we are required to have six meetings per year? Erin stated that the schedule can be changed by board vote. The Executive board is at every meeting. Commissioner Gorman stated that with four meetings per year, if you miss one meeting then you miss a quarter of the year's meetings. Erin stated that financials and the executive director report would still go out each month if meetings were reduced to four. Commissioner Lewis stated that less meetings might be more appealing to younger Commissioners.

X. NEW BUSINESS

There was no new business.

XI. PUBLIC COMMENTS – WMSRDC PROGRAMS

There were no comments on WMSRDC programs.

XII. ROUND TABLE

- Commissioner Christians – Commissioner Morse and Commissioner Christians represent Oceana County, and we extend a welcome to you all. ARPA funds are coming in and the committee has different communities represented at the meetings. The Sheriff's office is trying to get the mileage passed on August 2. The Life EMT school is moving forward but has had limited enrollments - only 2 students. The Marshville Dam project is going. Crystal Valley Dam has a new report from Spicer Group.
- Commissioner Morse – West Central County Alliance meeting with the northern counties in Lake County tonight. We are having more direct conversation with Connect Michigan, Nokia, and the Moonshot program regarding better fiber in the county. He shared some information about Peterson farms – they provide the cherry for Cherry coke, the apples in McDonald's happy meals, and various applesauce cups. Peterson Farms is the largest employer and taxpayer in Oceana County.
- Commissioner Cyr – The Baker College facility purchase is completed, and they are open already. Administration has moved to the new location. This will be a great addition to the area.
- Rachel Gorman – The City of Muskegon manager job posting is live. The open house for Shoreline Drive Road Diet is tonight. If you can't make it and are interested, there is a whole page and a nice introduction video on the city's website.
- Commissioner Hodges – The former BASF facility in Muskegon Township closed last year. It recently sold two weeks ago to Cytiva, which makes resins for vaccinations. This is about a \$460 million investment into the township. The first outpatient VA clinic in Muskegon County, 28,000 sq feet, will break ground soon. The Parks & Recreation Department was revamped a while ago, so they put on a Meet the Machines at Rank Enterprises. A consumption event was allowed recently with no crime or issues. It was a great time and look forward to another.
- Commissioner Kolk – Newaygo County is starting a new partnership with the ISD and the Sheriff's department. We have one officer assigned full time with the ISD to help with truancy, and to evaluate various school's security for the entire county. Newaygo County may be starting a drug court. The first batch of ARPA funds have been spent. The emergency services department has been gutted. A new generator is a part of that work. Fremont Lake is working toward sanitary sewer on the south side. Homeowners have wanted to build in Newaygo County, but because so much area is land locked, they haven't been able to. DNR may be giving easements for this, so new building and expansion may occur. A tire collection day brought in 3,000 tires. We are excited about the White River Economic Impact Study, which may help with the White Cloud Dam controversy.
- Commissioner Rynberg – Fremont is recovering from the National Baby Food Festival. Things should calm down a bit now, and we can enjoy our community. We continue to work on the industrial park and a housing development.
- Commissioner Squires – The commissioners have five work sessions per year to discuss issues. The next work session will include the budget and school resource officers. Committees are looking at public/private broadband through Trustream. Mason County has a new contract with their medical director. Last year Mason County had approximately 347 deaths with 300 cremated. Airport projects are moving forward. The commissioners are currently meeting at the airport. Last year our District 10 Health Department provided \$10 million in food stamps - we need more jobs and employment. Economic Development and affordable housing needed. The board is looking at school resource officers. It took over 10 years to get courthouse security incorporated. In the first year they collected 6 guns and 150 knives. Tourism is down in the county, and he is anxious to see how it goes with the gas prices and such.

- Commissioner Winczewski – Part of our ARPA funds will be used for a housing study in all of Mason County. With the housing shortages, she has found many people want to live in Ludington during the summer because their permanent home is too hot. They are not included in the census, do not volunteer in the community, their kids don't go to their schools. These are not bad things, but it does change the community. Controversial in Ludington right now is the deer killing. An educational event to teach people about deer resistant plants and other deterrents might be helpful. Two beaches in Mason County have put in safety signals regarding lake conditions.

XIII. ADJOURNMENT

Motion was made by Commissioner Rynberg and seconded by Commissioner Cyr to adjourn at 12:26 PM. Motion carried.

A tour of Peterson Farms was offered following the meeting.

NEXT MEETING: **September 19, 2022** – Muskegon County



Bonnie McGlothlin, Chairperson



Erin Kuhn, Executive Director



Date



Date