



DELTA CONSERVATION DISTRICT

6822 US HIGHWAY 2, 41, and M35 - GLADSTONE, MI 49837

(906) 553-7700

BOARD MEETING MINUTES

SEPTEMBER 27, 2023

meeting was called to order at 2:05 P.M. on July 25, 2023, at the Pioneer Park Pavilion.,
6822 US Hwy 2 41 M35, Gladstone, MI 49838, by Delta Conservation District Chair Joe Kaplan

AGENDA

Call Meeting to Order 2:05pm

Directors Roll Call: Kaplan, Brockman, Segorski, VandeWater - Present; Ross - Absent.

Staff Present: Mattson & Wery

Additions to Agenda; none

Conflict of Interest Disclosures; None

Approval of Minutes:

June 20, 2023; Segorski motioned to accept Meeting Minutes as amended, seconded by VandeWater, motioned carried.

July 19, 2023; Motioned by Brockman, second by Segorski to approve the meeting minutes as amended. Motion carried.

July 25, 2023 (Special Board Meeting); Motioned by Brockman, second Segorski, motion carried.

August 23, 2023; Motioned by Segorski, second by VandeWater, to accept minutes as amended by Kaplan. Kaplan read changes to Establish New Committees, New Committees Continued, Personnel Policy Changes, and Easement Agreement Cornell Forest. Roll Call: Kaplan-Yes; Segorski-Yes; VandeWater-Yes; Brockman-Yes.

August 29 (amended to correct from August 23 to August 29, 2023), 2023; Kaplan compared versions under Personnel (Standing Committee Report); Temporary Administrative Assistant Position; Segorski motioned, VandeWater second, to accept amended version of minutes, Roll Call; Kaplan-Yes, Segorski-Yes, VandeWater-Yes; Brockman-Yes.

Approval Treasurers Report (August); Kaplan asked questions regarding seasonal staff in Park, deposits for pavilion rental, lodging, office, etc. Motion by Segorski, second by VandeWater to approve the August Treasurers report. Motion carried.

Public Comment on Agenda Items: *David Vanderlinden, Bay de Noc Township* – Comment directed to Chair; regarding asking for a motion to advertise for a District Manager, but not to terminate an employee. Will clarify more during Public Comment.

Sean McAdam, Ford River Township – The issue with Tina Vanderlinden and land transactions peak an interest in what's going on with the DCD Board. The real estate transactions have created some concern. Was surprised when the office was contacted and indicated that a FOIA was required to obtain past Meeting Minutes. OMA indicates that meeting Minutes are to be available to the public within 8 days and this supports ongoing secrecy that the rules don't apply to us (the District). Board member have no power unless the board votes on something and does something, and acting in secret is a concern (referencing Vanderlinden and the real estate deals). The first step for the board is to be open and transparent. Availability of minutes at the office per the requirements of OMA and FOIA needs to be addressed and fixed.

Standing Committee Reports (Personnel, Property & Equipment Equipment, Records, Finance, Parks & Forest):

Finance: Mike and Glenn met with Rory on Monday to discuss budget and finances. Segorski discussed that bank accounts still have former board members listed on the accounts. Discussion centered on the need to separate financial duties. Segorski motioned, second by Brockman to remove all existing signatures on the District's bank cards and add VP Nate Brockman [Segorski and Kaplan- already approved] as the third signatory on District bank accounts.

Brockman motioned, second by VandeWater to designate Mike Segorski as the person of significant responsibility to replace Rory Mattson as the current person of significant responsibility on District bank accounts. Roll Call; Kaplan Segorski, VandeWater, Brockman. Motion carried.

Property and Equipment. Brockman Discussed leasing DCD property east of the Ford River in Cornell for \$1500 to Scott Streichert (adjacent property owner).

Recommend withdrawing offer to exchange mowers and loan wood processor to help the County with equipment due to disinterest from the District. Silt curtains value is significantly higher than previously realized. Schoolcraft County still has not paid for three curtains in their possession. The 2008 Yaris and 2002 Dakota are in poor condition. Brockman motioned accept offer on vehicles, second by VandeWater to accept offers on Yaris (\$3000) and Dodge truck (\$500). Discussion led to the withdrawal of motion.

Brockman motioned to sell vehicles "as is" on bid for two weeks with a minimum bid on Yaris (\$3000) and Dodge truck (\$500), support by Brockman, second by Segorski. Motion carried. Nate Brockman will coordinate.

Records: Kaplan explained that DS Tech is District's local IT provider. Currently, DS Tech provides the District with hosting and a firewall for the Delta CD website. District email service is through Microsoft and the District domain is registered with GoDaddy. DS Tech does not have access to either of those accounts, Mattson indicated that this status may have recently changed. The DCD only has a desktop QuickBooks subscription. Guth recommended adding generic email addresses for District information rather than having records tied to a single individual or an employee.

Segorski motion; Kaplan will work with Mattson to transfer account information and passwords to Kaplan, who will hold certifications, for online services/subscription including Microsoft 365, QuickBooks, GoDaddy (DCD domain), second VandeWater. Roll Call, Motion carried unanimously.

County Commissioner/Liaison Report: Commissioner Barron relayed that the contract to put in water and electric for the cabins at Pioneer Trail Park. The Board passed a budget.

Board Member Reports: accidentally skipped – see Board Member Comments.

MDARD Report or Correspondence: Report will be available on 9/28/2023. Timely information; four employees at the NRCS Office may be impacted by a possible Federal Government shutdown. Rory provided a contingency plan. CTAI employees will be the most impacted. All MDARD FY23 grants are due October 5, 2023. FY24 MDARD grants will be out for an eSignature by mid-October. An MOU partnership between the CD, NRCS, and NRCS – comments are due back by Oct. 13, 2023 to the MACD with the MOU will come back to the District for signature. The Conservation District Employees of Michigan have put together an insurance package for DC employees beginning with health insurance (interest by the District is due on 9/28/2023). Mattson indicated current staff are not interested in this offering but he would follow up and express the District's interest in offering. The new retention schedule (FOIA) for Conservation Districts is now available and will be followed up with MDARD training.

NRCS Report or Correspondence: n/a

Staff Correspondence: none

Manager Report & Updates: none

Public Hearing: FY-2024 CD Budget/Appropriations Act: Mattson provided copies of the FY24 Budget and FY24 Appropriations Act.

Hearing Open with Roll Call Vote; Kaplan-Yes; Segorski – Yes; VandeWater-Yes; Brockman-Yes.

Former Chair Jim Yoder asked why if there are equal amounts of Revenue and an equal amount of Expenditures why does the fund balance decrease by \$129,000 and that the accounting to reflect that should be done some other way. Rory explained this is the way the MDARD wanted it reflected in this manner. Yoder responded there should be a balance sheet and a separate profit and loss and not combine them together as presented.

Sean McAdams; Indicated this is not proper accounting and the budget should reflect a net loss.

Public Hearing on the Budget and Appropriation Act was concluded by Roll call: Kaplan-Yes; Segorski – Yes; VandeWater-Yes; Brockman-Yes.

Unfinished Business

B. Streichert Land-Use Agreement. Kaplan read an Indemnification Clause to the short-term agreement to lease District property east of the Ford River in Cornell Township to Scott Streichert for \$1500 through the hunting season. Brockman moved to approve the Land-Use Agreement. Brockman motioned to approve the Land-Use Agreement, second by Segorski. Roll Call; Kaplan-yes; Segorski-yes; VandeWater-yes; Brockman-Yes. Motion carried.

C. Update Personnel Policy. Mattson explained changes to the policy including removing CEO and replacing with the title of District Manager and the interest of the staff to meet with the Personnel Committee to discuss exempt vs. non-exempt status. Discussion indicated that full-time employees are currently considered "exempt". No action was taken.

D. Motion to Authorize Personnel Committee to Advertise for New District Manager.

Recommendations from MDARD provides two options for hiring a new District Manager. 1) all board members participate in an open meeting, or 2) a Committee consisting of the District Personnel Committee (Kaplan and VandeWater), District Manager (Rory Mattson), MDARD Representative (Rachael Guth), and NRCS (Mike Van Wyk). Segorski motioned that a Committee consisting of District Personnel Committee (Kaplan and VandeWater), District Manager (Rory Mattson), MDARD Representative (Rachael Guth), and NRCS (Mike Van Wyk) will conduct the interview process and hiring recommendation to the Board for the new District Manager, second by VandeWater. Motion carried.

The Personnel Committee (primarily VandeWater) has been developing a job posting for the District Manager position with input from Rachael Guth and Rory Mattson. Discussion centered on length of time to post the position with recommendation to keep the posting open until early November.

Segorski motioned, second by VandeWater to post the position to hire a new District Manager. Motion carried.

E. Motion to Authorize Property & Equipment Committee to Sell District Equipment. Silt fences and wood processor will be retained. Vehicles will be sold (see Property and Equipment Committee Report).

18. New Business

A. Approval to send to the County for the 10% Parks Operational Fee per the Agreement. Removed from agenda. Brockman moved to Table, second by Kaplan. Motion carried.

B. Discuss and Approve Per Diem Conservation District Board; VandeWater motion, second by Brockman to keep per diem at \$480 (annual) for regular board meetings attended. Motion passed.

Kaplan motioned, second by Brockman to Opt in or opt out of per diem payments. Motion carried.

Brockman and Segorski opted out. Kaplan and Vandewater opted in.

C. Approve Board Liaisons for FAP (Forestry and environmental) and MAEAP (Agricultural) Advisory Boards; Kaplan motioned, second by Brockman to appoint VandeWater to both the FAP and MAEAP Advisory Boards. Motioned carried.

D. Approve FY-2024 Monthly Board Meeting Schedule; Brockman motioned to approve the meeting schedule as presented, second by Segorski, motioned carried.

E. Approve DLA setup for Lyndsey Robinson; motioned to approve Robinson to establish a District Liability Account to carry over 40 hours at \$1500.

F. Vacation Carry-Over Request (Mattson). Matton requested carry-over of 240 vacation hours into FY24 (policy allows 160 hours). Discussion addressed discrepancies between when Mattson vacation hours reported in FY23 and vacation hours reported. Kaplan moved to table Mattson's vacation request until

there is documentation that Mattson worked during his reported vacation time, second by Segorski. Roll call; Kaplan-Yes; Segorski-Yes; VandeWater-Yes; Brockman-Abstain.

G. Motion to Authorize Personnel Committee; Manager to Finalize Employee Work Agreements for FY-2024. Guth indicated this may no longer be a requirement of MDARD grants. Brockman motioned to finalize work agreements for FY24, second by VandeWater. Motion carried.

H. Motion to Authorize Manager to Handle Year-End Items and Business.

I. Motion to Authorize Chairman/Treasure & Manager to Approve & Accept MDARD FY-2024 Grants. Brockman motioned to authorize Chair, Treasurer, and manager to approve and accept MDARD FY24 grants with Segorski authorize to sign for the grants, second by VandeWater. Roll Call; Kaplan-yes; Segorski-yes; VandeWater-yes; Brockman-Yes. Motion carried.

J. Approve FY-2023 Budget Amendments as presented. Segorski motioned to accept FY-2023 Budget Amendments as presented, second by Brockman. Roll Call; Kaplan-yes; Segorski-yes; VandeWater-yes; Brockman-Yes. Motion carried.

K. Motion to Authorize Chairman/Treasurer; Manager to transfer budget line items to balance the final FY-2023 budget within guidelines to comply with State/Federal Statues and conform with the Uniform Budgeting Act. Segorski motioned to authorize Chairman, Treasurer, and Manager to transfer budget line items to balance the final FY-2023 budget within guidelines to comply with State/Federal Statues and conform with the Uniform Budgeting Act, second by VandeWater. Roll Call; Kaplan-yes; Segorski-yes; VandeWater-yes; Brockman-Yes. Motion carried.

L. Motion to Authorize Chairman/Treasurer and Manager to pay all end-of-the-year bills, balance all accounts and finalize all financial obligations with employees. Segorski motioned to authorize Chairman, Treasurer, and Manager to pay all end-of-the-year bills, balance all accounts and finalize all financial obligations with employees. Roll Call; Kaplan-yes; Segorski-yes; VandeWater-yes; Brockman-Yes. Motion carried.

M. Motion to Authorize Chairman/Treasurer and Manager to make yearly additions or subtractions renewal of District CD's upon maturity dates. Segorski motioned to table, second by Brockman. Roll Call; Kaplan-yes; Segorski-yes; VandeWater-yes; Brockman-Yes. Motion carried.

N. Motion to Authorize Chairman, Treasurer, and Manager to approve and sign checks during FY-2024. Kaplan motioned to authorize, in order of preference, Chair, Treasurer, and Vice Chair, to approve and sign checks during FY-2024 with checks countersigned, second by Brockman. Roll Call; Kaplan-yes; Segorski-yes; VandeWater-yes; Brockman-Yes. Motion carried.

O. Motion to adopt the FY-2024 Delta CD Business Plan as presented with any amendments to reflect board action taken at the 9/27/2023; Motioned by Segorski, second by Brockman to accept FY-2024 Delta CD Business Plan as presented. Motion carried.

P. Motion to Adopt FY-2024 Parks Budget as presented with any amendments to reflect board action taken at the 9/27/2023 meeting. Inadvertently missed.

Q. Motion to Adopt FY-2024 District Budget as presented with any amendments to reflect board action taken at the 9/27/2023 meeting. Extensive discussion. Budget was extensively amended - details to

follow [Mattson's DLA, and contract-based bonus was not included in the amended budget]. Segorski motioned to adopt FY-2024 District Budget as amended, second by Brockman. Roll Call; Kaplan-yes; Segorski-yes; VandeWater-yes; Brockman-Yes. Motion carried.

R. Motion to Adopt FY-2024 Appropriation Act as presented with any amendments to reflect board action taken at the 9/27/2023 meeting.

Appropriation Act as amended:

Section 6: Board Member per diem - \$480; Current District Manager - \$31,000; Future District Manager - \$50,000; MAEAP Technician - \$60,000; Forester - \$56,500; Conservation Technician Assistant - \$61,000; Conservation Program Assistance - \$45,500; Parks Ground Manager - \$15,000

Section 7: Revenue: \$510,000 Expenditures: \$613,000

Motion made by Segorski supported by Brockman to adopt the foregoing resolution and General Appropriation Act as amended. Motion carried. Mattson will update for the Chair's signature.

General Public Comment; *Kelli VanGinhoven, City of Escanaba;* The Pioneer Trail Park contract for water was awarded to A-1 Water Systems, not A-1 Septic. Recommended Zooming or YouTubing meetings – Ms. VanGinhoven livestream of District Board Meetings are being viewed by 200-300 people with upwards of 15 people online watching live. Ms. VanGinhoven feels Tina is owed an apology by Rory and the Board for how her termination was handled. Ms. VanGinhoven feels if Rory would have responded to the Board to develop job responsibilities for an administration assistant then Rory would have been able to hire the position to take his vacation time in September.

David Vanderlinden Bay de Noc Township; Mr. Vanderlinden stated the Personnel Committee did not have authority to terminate Ms. Vanderlinden without a vote of the full board. Mr. Vanderlinden has read and studied the District's Personnel Policy and the Open Meetings Act. The OMA states those decisions have to go back to the board. Mr. Vanderlinden states that "at will" policies are not good business practices. Mr. Vanderlinden informed the Board that several OMA violations were filed and complaints are going to the Prosecutor and Attorney General with possibly more to follow. Like the board, Mr. Vanderlinden wants transparency and accountability for wrongful termination.

Sean McAdam – Ford River Township. Feels the Conservation District is sinking fast, and Manager is incapable of being responsive to the Board and getting the information the Board needs. His recommendation is to rehire Ms. Vanderlinden before Rory sinks the Board and the District. The Board needs someone who can respond to the Board with a new fiscal year and the long process of hiring a new District manager and getting the new person up to speed. Mr. McAdam's would not be surprised if there ends up being a criminal complaint as money does not seem accounted and the basic budgeting exercise that just occurred indicates there are problems and it underscores the need for having someone who can be response to the Board so it can function properly. Stated Ms. Vanderlinden may have some recourse, and while he doesn't know if she would be interested in working for the District, recommended should be rehired get the business of the Conservation District moving forward.

Board member comments; Segorski – apologized for a rather dyslectic departure on Ms. Vanderlinden's behalf. Segorski recognized it was probably a very uncomfortable situation for everyone involved. Stated

and wasn't handled in the best of manners and for that he offered an apology. Brockman expressed support with Segorski's comments.

Kaplan reported that Rory provided him a letter from Terry Burkhardt, District Council, on September 18, 2023. The letter was dated September 1, 2023 indicating that Burkhardt and his firm were resigning immediately as council for the District. Kaplan followed up regarding questions on recent FOIA policy work and request for a copy of all records in his possession related to District business. Mr. Burkhardt indicated he would make a list of all files in his possession early this week. Based on recommendations, Kaplan contact Mr. Frank Zappa a municipal attorney based in MQT. At this time Mr. Zappa regrettably declined to represent the District due to other work obligation. However, he indicated we could revisit our situation later in the year, if warranted.

I spoke with Karen Barreth at Fischer Insurance and forwarded an application to quote us for optional Director and Officers Liability, Employment Practices Liability, Fiduciary Liability and Crime insurance. Ms. Fischer indicated that D&O and Employment Practices Liability are the most common packages.

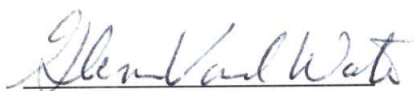
As Kaplan was researching all deeds associated with the DCD, he discovered that on 12 September, 2023, that Chair Moyle and Rory modified the easement agreement that the County passed on August 15, 2023. He reported this finding at the last county commission meeting under general public comment as Rory represented the District and the County when he was negotiating the Natural Resource Trust Fund land purchase for the County. We are still waiting for a response from the AG's office, they are reviewing the matter. This was discussed by some of the County Board members as there was a response from the Michigan Department that indicated such action that reduces or diminishes the rights of the public on that property may considered a breach of the project agreement. Kaplan thanked the public for their comments and sitting through a marathon meeting.

Rory indicated he will be on vacation for the next two days he will prepare everything needed for the MDARD. Kaplan offered his assistance to Mattson including finalizing meeting minutes.

Adjourn: Motioned by Segorski, second by Brockman to adjourn the meeting at approximately 6:40pm.

These draft minutes prepared by Kaplan on September 29, 2023.

Meeting Minutes approved with corrections on 11/13, 2023



Glenn Vandewater, Secretary