The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, May 13, 1997 at 6:00 p.m. in Room 231 of the Henry A. Skewis Annex, Marquette, Michigan.


It was moved by Comm. Arsenault, seconded by Comm. Roberts, and unanimously carried by voice vote that the minutes of the April 26, 1997 Committee of the Whole Strategic Planning Session be approved with the following addition: That a question be added to the citizen’s question list regarding repayment of the $100,000 taken from the Tax Delinquent Fund for the County Fairgrounds and also the approval of the Minutes of the April 29, 1997 Committee of the Whole meeting noting the following corrections: On Page 1, regarding the Professional Engineering Services Agreement, Paragraph 2 eliminate the words “to run the present Airport” and on Page 4 the EDA Preapplication is for 1997 not 1998.

Chairperson Corkin opened the meeting for public comment. None was forthcoming.

It was moved by Comm. Bergdahl, seconded by Comm. Rapport and unanimously carried by voice vote that the agenda be approved with the following additions: 4a) Privileged Comment: A report on the Workshop help in Gaylord from May 7-9 entitled “The Jail is Part of County Government” and 4b) Update on the Upper Peninsula Association of County Commissioners’ Spring Meeting.

Chairperson Corkin reported that he, along with Sheriff Mike Lovelace, Jail Administrator Ernie Grasso, and Lt. Bruce Belisle attended a U.S. Department of Justice, Institute of Corrections, training workshop in Gaylord entitled “The Jail is Part of County Government.” An insurance carrier analysis of jail operations in Marquette County during the last decade shows that there have been only two minor liability payments totaling $3,000. This is an outstanding record. This is due to the leadership of Jail Administrator Ernie Grasso, a well trained staff, and a good physical jail building which was constructed in 1975. Chairperson Corkin commended Jail Administrator Ernie Grasso who has served for 20 years for his excellent work.

Sheriff Michael Lovelace further reported that the training session included County Commissioners, Risk Managers, Jail Administrators, and County Sheriffs. It was a good group to share their experience with sessions that were uninterrupted. The workshop will assist the Sheriff’s Department with their five year strategic plan which will dovetail right into the County Strategic Planning Session.

Jail Administrator Ernie Grasso added that the timing of this workshop was good because Marquette County has a new Sheriff. He thanked Chairperson Corkin for his comments regarding his service as Jail Administrator but gave credit for Marquette County’s outstanding record to an excellent, well trained staff.

Chairperson Corkin reported on a recent Upper Peninsula County Commissioners’ meeting held in Escanaba. The highlight of the meeting was the opportunity to talk with Congressman Bart Stupak and update him on issues pertaining to Marquette County, especially Kl Sawyer. Congressman Stupak restated his commitment to help Marquette County with conversion efforts, whether the help is policy or funding. Chairperson Corkin also reported that he has been elected to serve on the UPACC Executive Board.

It was moved by Comm. Seppanen, seconded by Comm. Roberts and unanimously carried by voice vote that Claims and Accounts for the period April 25, 1997, through May 8, 1997 in the amount of $1,017,002.24 be approved.
BOARD OF COMMISSIONERS  COUNTY OF MARQUETTE  MAY 13, 1997

The Committee considered a staff report from Al Feldhauser, Planner, on the Tilden Mining Company Permit Application to place 115 million tons of rock strippings in the Tilden Lake area. Al Feldhauser, Senior Planner, was present and reviewed the Permit Application process and the summary of Staff findings. The Tilden Mining Company has applied for a permit with the Michigan Department of Environmental Quality for expansion of the area currently used for storage of rock stripping resulting from mining operations. Under the law public notices are required and such entities as Marquette County have an opportunity to comment or request a public hearing in regards to the permit. County Board of Commissioners at their April 1, 1997 meeting considered the issue and voted unanimously to request a public hearing. The request was subsequently granted and a hearing will be held Wednesday, May 21, 1997, at the Tilden Township Hall, 7:00 P.M. County Staff was further directed to develop a position in regard to the issue.

Staff Summary is as follows:

In light of the significant economic contribution iron mining makes in this County, there is substantial support for its continuance. Recognizing this, waste rock is an unavoidable byproduct of the mining process and must be disposed of in some fashion. Staff has reviewed the four alternatives addressed in the Permit Application and considered public concerns in regards to the permit. Staff opinion is as follows:

a) Alternative 1 is the preferred proposal as it provides for the greatest storage capacity with the least environmental impact.

b) Compensatory mitigation will be required to replace “environmental value” of the area being filled and should occur in a manner and location that will best serve the citizens of Marquette County. (Creation of Wetlands)

c) Tilden Township should require compliance with their zoning ordinance.

d) Alternative uses of rock stripping material, though not a significant percent of the total, should be utilized to the greatest extent possible.

It was moved by Comm. Seppanen, seconded by Comm. Arsenault, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board concur with the Staff Summary and send a County Representative to present its findings at the public hearing conducted by the Michigan Department of Environmental Quality.

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The Committee of the Whole was provided an update from URS Greiner, Inc. on the Sawyer Master Plan and the Terminal Building design. Bill Malinowski of URS Greiner reported that the Sawyer Master Plan is on schedule for delivery of the documents by the end of June. The Master Plan will be filed with the FAA, and the Michigan Aeronautics Bureau for their review, however, copies of the Plan will be available for County Commissioners. Mr. Malinowski reported on several part of the Plan. First, the obstruction survey at 10 miles out with an instrument approach development has been accomplished. Second, the PFC Application has been prepared and submitted to the FAA. Third, the overall systems analysis of the pavement and electrical system will be starting very shortly. Fourth, the Airport Layout Plan which includes the runway length is soon to be determined. Mr. Malinowski noted that air carrier requirements versus military requirements are different. Fifth, the terminal building site has been determined with a new terminal building is the most economical.

Mr. Malinowski introduced Project Manager Paul Scripsema, RA, with URS Greiner, Inc., who displayed computer generated drawings and sketches of the airport terminal plans. Cost of construction will be approximately $102/sq. ft. with the terminal building abutting the runway ramp. The functions of the terminal will include the passenger enplanement uses, observations, car rental, and a vendor area. Commissioners had the opportunity to discuss details regarding the construction of the building, specifically the roof and building infrastructure plans. Mr. Scripsema indicated that architectural plans for the terminal building should be complete by July 24, 1997 and construction of the new terminal should begin in October with the terminal open for operation by October of 1998.
Chairperson Corkin, on behalf of the County Board, thanked Bill Malinowski and Paul Scripsema for the update.

The Committee considered a resolution regarding Behavioral Health Care Services. Dr. William Birch, CEO, Superior Behavioral Health, was present and explained that the resolution originated in Livingston County through their local Mental Health Board. The State Mental Health Association has since concurred with the resolution and distributed it to all Mental Health Agencies throughout Michigan.

The resolution is a generic response to the State of Michigan’s designing of managed care approaches for Behavioral Health Care Programs. The resolution urges that local controls and accountability be maintained and priorities given to those citizens who are in dire need of Mental Health Services, especially those who cannot afford it.

It was moved by Comm. Seppanen, seconded by Comm. Rapport, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board adopt the Behavioral Health Care Services Resolution.

The Committee considered a Grant Agreement with the Michigan Bureau of Aeronautics for Engineering Design of KI Sawyer Projects. Steve Powers, County Administrator, reported that the estimated cost for the design services is $297,000. The grant is for the engineering design of the following AIP Projects: New passenger terminal, replacement of runway approach lighting, relocate runway lights, and install security fencing. A 5% local share of the grant is estimated at $14,850 which will be reimbursed from the Passenger Facility Charges (PFC).

The Agreement is the same standard format as the County has had with the Bureau of Aeronautics for all AIP Grants. Staff recommendation is to adopt the resolution for entering into the Agreement and authorize the Chairperson to execute both copies.

It was moved by Comm. Roberts, seconded by Comm. Bergdahl, and carried by voice vote 8 Ayes to 1 Nay (Comm. Cihak), that the Committee of the Whole recommend the County Board approve of the Grant Agreement for Engineering Design of Sawyer Projects with the Michigan Bureau of Aeronautics and authorize Chairperson to sign.

The Committee considered the Prime Lease with the Air Force Base Conversion Agency (AFBCA) and a sub-lease with MACASU for sixteen electra housing units and an additional 324 housing units for Phases 2 through 6. Steve Powers, County Administrator, explained that these Lease Agreements are for 340 units over a five year period so as not to flood the housing market in Marquette County. A closer analysis and detail of the agreements was provided by Harley Andrews, Civil Counsel.

Civil Counsel Andrews explained that these agreements are in two separate packages. First, there is the Electra Avenue Project for 16 housing units and there is no problem with the County Board approving the Prime Lease with the AFBCA and the sub-lease with MACASU as soon as possible. The second package is for the MACASU lease of 324 additional housing units to be leased in six phases over a period of five years ending with a purchase option. This agreement with MACASU would in effect take the 324 housing units off of the market, however, should MACASU fail to meet the criteria required at each six month interval, they would lose the option for the remaining housing units. The County’s sub-lease with MACASU requires that copies of their leases with tenants be provided to the County. Staff cannot possibly review every single lease, however, a lease format will be followed and it was noted that the surety issue will be addressed in the leases.

Mr. Andrews further pointed out that a problem arises with the Prime Lease with AFBCA for the 324 housing units. Should the County sign that lease immediately, it would be for all 324 units, and therefore would take on the liability for the maintenance and condition of these housing units without a sub-lease to MACASU. Tom Rumora, KI Sawyer Development Director, is working with AFBCA for an agreement to revise the Prime Lease into similar phases.
BOARD OF COMMISSIONERS  COUNTY OF MARQUETTE  MAY 13, 1997

Tom Rumora was present and felt there is strong reason that the Air Force may cooperate with the phasing in of leases for the 324 housing units. The Air Force wants out of Ki Sawyer. Gerard Markey, Equalization Director, reviewed the property valuation process for the housing units at Ki Sawyer. The housing units someday will be placed on the tax rolls.

It was moved by Comm. Roberts, seconded by Comm. Bergdahl, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board concur with the Administrator’s recommendation as follows:

1) Approve Prime Lease with AFBCA for 16 housing units on Electra Avenue.
2) Approve 5/8/97 Sub-Lease with MACASU, with effective date (as soon as possible) for 16 housing units.
3) Approve Prime Lease with AFBCA for 324 housing units and one office if AFBCA agrees to activate the Prime Lease in phases.
4) Approve Sub-Lease with MACASU for Phase 1 of 324 unit housing plan.
5) Approve Sub-Lease Option Agreement with MACASU for Housing Unit Phases 2 through 6.

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The Committee considered a memo from Al Feldhauser, Planner, Resource Management Department, regarding the proposed Big Bay Nonmotorized Trail. The County Board of Commissioners on March 18th authorized Staff to submit a DNR Recreation Grant Application for a nonmotorized route connecting Sugar Loaf Mountain to Perkins Park in Big Bay. Indications are from the funding source that funding is doubtful.

In the interim, Staff is developing an alternative funding source. The Michigan Department of Transportation has a program for transportation enhancement activity projects for which our nonmotorized pathway may be eligible. Staff is requesting that the $12,500 authorized from the Land Acquisition Fund as a local match for the Recreation Grant Fund Application be transferred to the Transportation Enhancement Program Application and that Staff be authorized to proceed.

It was moved by Comm. Seppanen, seconded by Comm. Joseph, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board allow the $12,500 local match for the nonmotorized pathway be transferred to the Transportation Enhanced Program Application.

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The Committee considered the State Court Administrative Office Court Financing Survey. The Court Equity Fund, created by Public Act 374 of 1996 is a source of State of funding to all County Trial Courts. It is estimated that Marquette County will receive $288,148 this fiscal year from this fund, and shortly after receiving the County Survey the County Treasurer should receive a State of Michigan Warrant for the first quarter distribution of this fund.

The survey is asking how Marquette County intends to account for and plan to spend the Court appropriation. The Court financing monies will be receipted into and become part of the overall General Fund Budget. Marquette County cannot afford to save the funds for future increased Court costs and will not be accounting for them separately.

It was moved by Comm. Bergdahl, seconded by Comm. Arsenault, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board submit the original SCAO Survey to Lansing and place the information on file.

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The Committee considered a authorization from the Michigan State Housing Development Authority for Marquette County to incur CDBG Grant and other program costs as of April 30, 1997. It was moved by Comm. Seppanen, seconded by Comm. Joseph and unanimously carried by voice vote to place the communication on file.

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The Committee considered a notice from the Michigan Department of Treasury approving the Marquette County Correction of Deficit Funding for the Maintenance of Effort Fund. It was moved by Comm. Arsenault, seconded by Comm. Roberts and unanimously carried by voice vote to place the communication on file.

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The Committee considered a notice from County Clerk Dave Roberts regarding several vacancies on various County Boards and Commissions to be filled during the mid-year appointment process. It was moved by Comm. Roberts, seconded by Comm. Seppanen and unanimously carried by voice vote to place the communication on file.

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The Committee considered an announcement of the 1997 EMS Week Appreciation and Awards Reception to be held Wednesday, May 21, 1997, 6:30 P.M., at the Marquette General Hospital and Education/Conference Center. It was moved by Comm. Rapport, seconded by Comm. Roberts and unanimously carried by voice vote to place the communication on file.

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The Committee considered two resolutions for a proposed Pioneer Laboratories, Inc. Industrial Development Bond Issue. Jay Scherbenske, EDC Director, was present and explained that the Michigan Department of Treasury has $60 million available for tax exempt bonds issued by June 30, 1997 through local municipalities, to assist industrial and commercial enterprises with expansion and retention of commercial enterprises for certain programs. Pioneer Laboratories would like to use the availability of this funding as a financing tool to expand its complex at 375 Riverport Circle in Marquette. The expansion would create an additional 15 jobs and increase Pioneer Lab's employees from 32 to 47.

Amy Davis, Bond Counsel with Miller, Canfield, explained the process requires two resolutions to be adopted by the County Board of Commissioners. The first resolution establishes the project area designation, the project district area boundaries, and requires the appointment of two additional directors to the EDC. The district area boundaries include the Pioneer Laboratories facilities at 375 Riverport Circle of which they wish to expand with a 13,000 square foot addition to increase their manufacturing capability. This expansion will have no effect on any adjacent property owners and the City of Marquette, the County of Marquette, and the County EDC have no liability should the project fail. The additional two directors to the EDC will only vote on the matters affecting Pioneer Laboratories and only two meetings will be required.

The second resolution provides for the official notice and conduct of a public hearing to consider approval of the project plan for the Pioneer Laboratories, Inc. Project. Ms. Davis noted that the public hearing will be held on Tuesday, the 10th of June, with final concurrence by the County Board on June 17th.

Also present was Larry Mosca, Vice-President, Pioneer Laboratories, who explained that Pioneer Laboratories manufactures orthopedic devices for fixing human bones damaged as a result of chronic problems or traumatic injuries.

Comm. Arsenault noted that tax free bond issues means that the purchasers of the bonds do not pay interest. This has nothing to do with property taxes.

It was moved by Comm. Bergdahl, seconded by Comm. Seppanen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board adopt the resolution certifying approval of project area designation, establishing project district area boundaries, and appoint Commissioners Arsenault and Cihak as additional Directors for the Pioneer Laboratories, Inc. bonding project.

It was moved by Comm. Seppanen, seconded by Comm. Joseph, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board adopt the resolution calling for a public hearing concerning the Pioneer Laboratories Project Plan. Hearing to be held Tuesday, June 10, 1997, at 6:00 P.M. 

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The Committee considered an Air Service Grant Program Application. Hal Pawley, Airport Manager, was present and explained that the proposed program would utilize communication media to make the traveling public aware of the County Airport and Airline services scheduled. Local community leaders and business persons could also be made aware of the services by presentations at local Chamber of Commerce, Business After Hours functions. A reception for travel agents could improve communications with this important group that can greatly influence the use of the Airport.

Mr. Pawley further reported that Skyway Airlines will begin passenger services to Milwaukee beginning June 15th and local travelers should be made aware of this new service to another airline hub. The grant program will advertise for all airlines and the estimated cost of the project will be $16,667 of which $15,000 in grant funds are requested through the Air Service Grant Program with the Michigan Bureau of Aeronautics leaving a local match of $1,667 from the Airport budget.

It was moved by Comm. Roberts, seconded by Comm. Bergdahl, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve of the Air Service Grant Program Application.

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The Committee considered an agreement between the County of Marquette and American Eagle for the Marquette County Remediation and Investigation Plan. Steve Powers, County Administrator, explained that this agreement is required by the EDA Grant. The agreement indicates that AMR Eagle must remediate any pollution that it has caused at the Negaunee Township Airport site.

Hal Pawley, Airport Manager, was present and explained that there are four different locations where contamination has been found. Three of them are adjacent to the buildings that American Eagle Simmons was located. The types of contaminants found in 1994 included degreasing compounds which are utilized for cleaning engines and airplane parts. There is no question that AMR is responsible for these contaminants. The fourth site is what used to be the main septic tank which serviced the terminal building, the weather service station, and Simmons Airline.

Simmons is responsible for investigating areas 3, 4, 5, and 6 designated in the County's report entitled "Summary of Identified Areas of Environmental Concern at the Marquette County Airport, Negaunee, Michigan" dated April 2, 1996. If mutual agreement of the parties is determined that Simmons was in fact the sole contributor to the environmental conditions, then Simmons shall be responsible for the remediation. If Simmons is found to have only contributed to the cause then Simmons shall be responsible for it proportionate share. The County shall be responsible for investigating all remaining items in the Summary Report and hold Simmons harmless from the shares attributable to any other parties that have may have contributed to the cause of the environmental conditions.

The Michigan Department of Environmental Quality is involved in overseeing the remediation process. Administrator Steve Powers and Civil Counsel Harley Andrews recommend the County Board approve the Agreement.

It was moved by Comm. Arsenault, seconded by Comm. Joseph, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve the Agreement between the County of Marquette and American Eagle for the Marquette County Airport Remediation and Investigation Plan.

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When the Committee of the Whole met on Tuesday, May 13, 1997, they considered the Memorandum of Agreement (MOA) on the replacement of specified heating systems at the former KI Sawyer Air Force Base. The MOA refers to individual heating systems located in various buildings at KI Sawyer and states that specific buildings for conversion to stand alone heating systems will be determined by mutual agreement between the Air Force Base Conversion Agency (AFBCA) and Marquette County.
Steve Powers, County Administrator, explained that the County had previously requested an MOA with AFBCA that $5.1 million was to be available for heating conversion, however, tonight’s agreement only provides $2.643 million. Administrator Powers recommends that the County Board approve of the Agreement, noting that Page 1 states “Future funding adjustments, if any, will be accomplished by amending this MOA.” He recommends the County Board continue to negotiate for further adjustments. Already the County has incurred $70,000 heating conversion expense. Approving the agreement would stop further expenses.

Tom Rumora, KI Sawyer Development Director, noted that $5-7 Million had been projected for heating conversion costs. Hopefully the $2.6 million will cover the existing leases. The formula that was used came from the Wurthsmith Air Force Base heating conversion and calculated out to $2.643 million. Mr. Rumora suggested that there may also be other ways to cover heating conversion costs or new businesses may be willing to pay for heating conversion.

Rosemary Forester, U.S. Senator Carl Levin’s Aide, was present and explained that the heating conversion will be the number one issue in a near future meeting with Senator Levin, Congressman Stupak, Rodney Coleman, Assistant Secretary to the Air Force, and County Representatives.

It was moved by Comm. Seppanen, seconded by Comm. Roberts, and carried by voice vote 8 Ayes to 1 Nay (Comm. Cihak), that the Committee of the Whole recommend the County Board approve the Memorandum of Agreement between the Air Force Base Conversion Authority and Marquette County on the replacement of specified heating systems and continue to negotiate further for funding adjustments.

Chairperson Corkin opened the meeting for public comment.

Patty Stevens, KI Sawyer Development, Inc., contended that the new terminal building at KI Sawyer should have a restaurant. Sometimes there are lengthy delays while people are waiting for a flight and they should have a comfortable place to sit and eat or drink coffee. Perhaps a place could be provided for a lease tenant to run a restaurant. Smoking privileges should be considered before the building is constructed, perhaps a small building near the terminal so smokers don’t have to stand in the cold during winter. Ms. Stevens was also disheartened that the KI Sawyer Development, Inc. Project, which was submitted on April 30th, has not yet been considered but the MACASU, Inc. Project which was submitted on May 1st was considered tonight. Perhaps it was because the MACASU Project was of a much larger magnitude.

There being no further public comment, Chairperson Corkin closed this portion of the meeting.

COMMISSIONER COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS

Administrator Steve Powers distributed a draft of the responses to the questions raised at the April 26th Strategic Planning Session.

Administrator Powers also distributed a memo regarding the details of the selection of Tom Rumora as the KI Sawyer Development Director.

Steve Powers announced that he will be attended a Base Closure Training Session in Washington D.C. next week Wednesday through Friday along with Tom Rumora and Hal Pawley. At that meeting they intend to discuss the heating conversion of KI Sawyer and continue to work with the Air Force Base Conversion Authority.

Administrator Powers also announced that he will attended his County Administrator’s Conference and will be gone for the remainder of this week.

Administrator Powers reported on the recent meeting of the EDC Umbrella Group. The Lake Superior Jobs Coalition met with good participation from Township, City, and Business representatives. The discussion centered on what is working well and what could be done better. The next meeting on May 19th will decide which EDC group from outside the area would be invited to share their ideas and experience.

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County Clerk Dave Roberts reported that due to the death of incumbent Mine Inspector Norman Scarffe, applications are being accepted in the County Clerk’s Office for a new Mine Inspector. The law provides that the appointment shall be made by the Probate Judge, the Prosecutor, and the County Clerk. Deadline for applications is Wednesday, May 28th and the appointment is expected to take place in early June.

There being no further business, the meeting was adjourned at 8:50 P.M.

Respectfully Submitted,

David J. Roberts
Marquette County Clerk
MARQUETTE COUNTY BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE
Tuesday, May 13, 1997, 6:00 p.m.
Room 231, Henry A. Skewis Annex, Marquette, MI 49855

1. ROLL CALL.
3. PUBLIC COMMENT.
4. APPROVAL OF THE AGENDA.
5. Review of Claims and Accounts.
6. Staff Report on Tilden Mining Company Permit Application to Place 115 Million Tons of Rock Strippings in Tilden Lake.
7. URS Greiner Update on Sawyer Terminal Building Design and Master Plan. (No Packet Materials).
9. MACASU Inc.:
   a. MACASU Electra Prime Lease
   b. Electra Sublease
   c. MACASU Phases 1-6 Prime Lease
   d. MACASU Phase I
   e. Sublease Option Agreement Phases 2-6
11. State Court Administrative Office Court Financing Survey.
12. Resolution Regarding Behavioral Health Care Services.
13. Authorization from Michigan State Housing Development Authority for Marquette County to Incur CDBG Grant and other Program Costs as of April 30, 1997.
15. Mid-Year Vacancies for Several County Boards and Commissions.
16. 1997 EMS Week Appreciation and Awards Reception Wednesday, May 21, 6:30 p.m., MGH Education/Conference Center.
18. AIR SERVICE GREAT PROGRAM APPLICATION
19. Agreement AMR - Penobscot Fire Protection Plan
20. UPDATE ON HHS SYSTEM PLACEMENT
21. PUBLIC COMMENT.
22. ANNOUNCEMENTS.
23. ADJOURNMENT.