The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, July 23, 2002, 6:00 P.M., in Room 231 of the Henry A. Skewis Courthouse Annex, Baraga Avenue, Marquette, Michigan.


It was moved by Comm. Arsenault, seconded by Comm. Wallace, and unanimously carried by voice vote that the minutes of the July 9, 2002 Committee of the Whole Meeting be approved.

Chairperson Corkin opened the meeting for public comment.

Earl Yelle, Sands Township Supervisor, was present and noted Sunday evening a major disaster occurred in Sands Township. M-553 and all side roads south of the crossroads were blocked, power was out because of a tremendous wind storm that passed through Sands Township. Sands Township could get no response from the County Emergency Services or anyone to assist in opening M-553. Sands Township Firemen worked all night clearing trees and power has yet to be restored in many areas of Sands Township. Mr. Yelle contended this was a major disaster and no one responded. Marquette County may have an Emergency Services Plan on paper but in reality it amounts to nothing.

Joe Van Oosterhout, Emergency Services Manager, provided a storm update. Mr. Van Oosterhout himself was caught in midst of the storm and noted it was the worst he has ever seen. At 7:00 P.M. he went to the Central Dispatch Office and began assessment work which lasted until midnight. In a nutshell there was much damage to trees in Marquette County which in turn knocked down power lines, cable, etc., but there was minimal damage to structures and no one was hurt. Many roads were blocked by fallen trees.

Ricky Wilson, Sands Township, contacted Emergency Services and noted they were providing water at the Sands Township Hall to residents. Mr. Wilson also contacted the Road Commission who began work early Monday to assist in opening the roads.

Mr. Tom Matioli, MSP, made it clear to Mr. Wilson that if Sands Township could not handle the emergency, the process required that the Township Supervisor make the call to begin the process. Dave LaMere, Marquette Sheriff’s Department, offered to Mr. Wilson to have the County Search and Rescue Units go house to house in Sands Township. The Marquette County Board of Light and Power and UPPCO are working to have the main power reconnected however this type of activity does not qualify for FEMA reimbursement. There are many other areas besides Sands Township that were hit hard by the storm such as Republic Township area and south of Ishpeming along 581, and Skandia and West Branch Townships.

Chairperson Corkin thanked Joe Van Oosterhout for the update and commended them for their emergency efforts during the storm.

It was moved by Comm. Seppanen, seconded by Comm. Joseph, and unanimously carried by voice vote that the agenda be approved with the following addition: Item 15) Resolution in Support of Hosting the 2004 MAC Conference in Marquette.

It was moved by Comm. Seppanen, seconded by Comm. Nordeen, and unanimously carried by voice vote that Claims and Accounts for the period July 12, 2002 through July 18, 2002 in the amount of $371,450.47 be approved.

The Committee considered the FY 2001 County of Marquette Audit Report by John W. Blemberg, CPA, Anderson, Tackman & Co. Mr. Blemberg noted on page 6 the Independent Auditor’s Report states “in our opinion, based on our audit and the report of other auditors, … the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Marquette, Michigan as of December 31, 2002, and the results of its operations and statement of cash flows of this proprietary fund types for the year then ending in conformity with the County principles generally accepted in the United States of America.”

On page 12 of the Audit Report the combined statements of revenues, expenditures, and changes of fund balance indicate the budgeted revenues of $15,727,521 was down by $148,174 to an actual amount of $15,579,347. Expenditures budgeted were also down by $190,011 for a budgetary excess of $42,948 which provides for a FY 2001 year end fund balance total of $520,714.
Mr. Blemberg presented a series of graphs showing Marquette County’s expenditures and revenues by various fund types over the last five years. It was noted KI Sawyer revenues for 2001 amounted to $8,214,412 with expenditures amounting to $5,875,658. The General Fund has a $320,000 fund balance, however adequate reserves in other funds provide for the recommended $1.8 to $2.4 million in cash reserves.

A letter dated May 3, 2002 from Anderson, Tackman & Co. noted Marquette County’s financial records are in good shape. Anderson, Tackman encountered no difficulties in dealing with management in the performance of their audits and no disagreements arose during the course of the audit. Mr. Blemberg noted several reportable conditions encountered during the audit, however they are being addressed by County staff and do not indicate any fund discrepancies but rather accounting reporting methods. Marquette County is in stable financial condition.

Chairperson Corkin thanked John Blemberg, CPA, Anderson, Tackman & Co. for the Audit Report and commended County staff for their excellence in financial accounting and also thanked the County Board for its sound fiscal management.

It was moved by Comm. Wallace, seconded by Comm. Arsenault, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board accept the FY 2001 County of Marquette Audit Report from Anderson, Tackman & Co. and carry out their recommendations in their management letter.

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Greg Sicotte, Building Code Official, provided an update on the Building Code Department and programs. He thanked the County Board for their support during the last two years. He noted several changes in the Building Codes Department which has helped to improve their efficiency:

- Building Inspectors now have hand held cell phones rather than mobile phone units in their vehicles.
- Two 4-wheel drive vehicles are now utilized by the Building Code Department which provides quicker access in remote areas for building inspections.
- A new computer program is in place and helps staff to schedule building inspections more efficiently.

Mr. Sicotte noted the turnaround time for inspections averages 2-3 days. A 24 hour turnaround time is unrealistic, and some people are mislead because the law requires a 24 hour notice prior to a building inspection. This gives the false impression the inspection will be conducted within 24 hours. Marquette County’s turnaround time is on average much better than surrounding counties and half the time half (5 or 6 days) the State of Michigan provides for building inspection services. Marquette County does approximately 8,000 to 9,000 building inspections per year. Many contractors work with the Building Code Department during construction and anticipate in advance when various stages of their construction are completed so the Building Codes Department will have inspectors available.

Chairperson Corkin thanked Mr. Sicotte for the update.

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The Committee considered the Mid-Year Budget Amendments. Susan Vercoe, Finance Manager, was present to discuss the budget amendments and answer questions.

General Fund: On the expenditure side, total General Fund expenditures will be reduced by $3,100. Some of the larger adjustments include an additional $35,000 to cover hospitalization for retirees. An additional $11,000 is requested for autopsies by the County Medical Examiner. These expenditure increases have been offset by expenditure reductions and other line items.

The increase appropriation to SODA is offset by a reduction to the Juvenile Division. Other savings have been provided by reduction to the Human Resources Budget resulting from a temporary transfer from the Human Resources Risk Manager to SIABC to be Project Manager for the Utility Disposition Project. Vacant positions in the Resource Management and Treasurer’s Office are being reduced to .75 fte, and temporary vacancies in Equalization, Road Patrol, and the Prosecutor’s Office, and also provided savings.

On the revenue side, the budget has most significantly been impacted by a reduction in investment income. The current investment rates have fallen to 1 1/2 percent. This loss has been offset by increased revenues in other departments. District Court revenues have increased by $86,000 and the Register of Deeds Real Estate Transfer Tax has increased by $55,000.

Ms. Vercoe continued her presentation covering the KI Sawyer Development Fund, Airport Fund, Caretaker Fund, Friend of the Court, Commission on Aging, MCTV, and Community Development.

It was moved by Comm. Tuominen, seconded by Comm. Moore, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve of Mid-Year Budget Amendments No. 14 General Fund, No. 15 KI Sawyer Development Fund, No. 16 Airport Fund, No. 17 Caretaker Fund,
No. 18 Friend of the Court, No. 19 Commission on Aging, No. 20 MCTV, and No. 21 Community Development Fund as presented by Staff.

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The Committee considered the Sawyer International Airport and Business Center Quarterly Reports. Hal Pawley, SIABC Director, reported Sawyer Airport was very lucky during the storm. There are some NavAids out but the loss of power was very brief and only minor damage occurred to the facilities. A number of trees fell on the fencing surrounding Sawyer and have been removed. Next the fencing has to be repaired. Mr. Pawley is considering selling the downed trees for timber.

It was moved by Comm. Nordeen, seconded by Comm. Moore, and unanimously carried by voice vote to accept and place on file the SIABC Quarterly Reports.

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The Committee considered the sale of Sawyer Buildings 502, 810, and 811, and the personal property located within these facilities, and approximately 10 acres of land to the Marquette County Economic Development Corporation in exchange for $1 and the creation of jobs and the utility lineman school at SIABC.

Vikki Kulju, SIABC Marketing Director, was present and explained the EDC has been working with various utility companies from throughout the Upper Peninsula on the creation of a school to train utility linemen. The school would employ up to 30 employees and could train approximately 60 students per year who would then have the opportunity to work for a utility. The EDC needs classroom, lodging, and approximately 10 acres of raw land to create such a school.

Ms. Kulju further explained that Sawyer Buildings 810 and 811 were listed as “giveaway” facilities in the Business Plan. The land will be difficult to develop because of its slope and lack of infrastructure so it is not valued at this time. Building 502 was valued at $75,000 with a $50,000 investment required to bring the facility up to code. It is the opinion of Sawyer staff that the creation of this school would provide many ancillary benefits such as the YMCA would see an increase in membership requiring less subsidy from Marquette County, there could be additional housing sales resulting in quicker payment to the County and an increase in the population base at Sawyer is an attractive incentive for other companies. Utility and ongoing maintenance costs of these facilities would be eliminated which could easily surpass $25,000 per year if the buildings remain vacant.

It was moved by Comm. Wallace, seconded by Comm. Moore, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board sell Sawyer Buildings 502, 810 and 811 to the Marquette County EDC in exchange for $1 and the creation of jobs and a Utility Lineman School.

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The Committee considered an amendment to the Lease Agreement with A. Voyager, Inc. (a/k/a Frank the Mover). Vikki Kulju, SIABC Marketing Director, explained that one year ago the County Board of Commissioners agreed to provide certain rental abatements to assist A. Voyager, Inc. with certain hardships. The total abated amount equates to $14,560.09. A. Voyager, Inc. is supposed to repay this abated amount commencing August 1, 2002 in equal monthly payments through the term of its lease which expires August 1, 2003. Frank Mallette, President of A. Voyager, Inc., sent a letter addressed to Staff dated May 28, 2002 requesting additional rent abatement of $8,349. Staff has reviewed this request and discussed the issue with Mr. Mallette. Staff could not support Mr. Mallette’s request due to the negative loss to the County of approximately $22,909. The following counter proposal was made contingent upon County Board approval and Mr. Mallette is in agreement with these terms proposed by Staff.

1) Extend the terms of the lease from a 3-year lease to a 5-year lease.
2) Adjust the rental rates as follows:
   - Year 3 - $2 per sq. ft.
   - Year 4 - $3 per sq. ft.
   - Year 5 - $4 per sq. ft.
3) Tenant would have the right to terminate the lease at any time during the remaining lease by giving the landlord 100 days prior written notice and paying a termination fee of $15,000.

Ms. Kulju further explained by increasing the lease terms for an additional two years Marquette County could see additional revenue of $39,074 which is not recorded in the Business Plan. The building which is a County asset would be maintained in an acceptable manner and additional utility revenue would be received.
It was moved by Comm. Moore, seconded by Comm. Nordeen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve of the lease amendment with A. Voyager, Inc. (a/k/a Frank the Mover) as presented by Staff.

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The Committee considered a contract award to U.P. Engineers and Architects in the amount of $5,750 for SAGE Building first floor preliminary design work. Vikki Kujlu, SIABC Marketing Director, was present and noted bids for the preliminary design and construction estimating work were received from six firms. The design work is for the first floor 120,000 sq. ft. of the SAGE Building. This work will determine the feasibility of converting the first floor to multi-tenant use. This cost information can be used to pursue further funding for the renovation or it may also help the County Board determine if the building needs to be shut down.

It was moved by Comm. Wallace, seconded by Comm. Arsenault, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board award the SAGE Building preliminary design work contract to U.P. Engineers and Architects for $5,750.

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The Committee considered an Engineering Services Agreement for Airport Improvement Projects with URS Greiner. Hal Pawley, SIABC Director, was present and explained the design and engineering work is for cracked runway slab replacement, taxiway shoulder replacement, airport beacon relocation, and installation of taxiway signage. The Federal Aviation Administration has authorized $970,300 for these projects.

The agreement with URS Greiner is for professional services to complete the design and engineering work for the aviation projects including the FAA AIP funding and the MAP projects. The FAA strongly encourages airports to use one engineering and design company and Marquette County selected URS Greiner using a competitive bid process in 1997.

The County's share of the project is $3,080 which will be funded by Passenger Facility Charges.

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 authorize the Agreement for Professional Services with URS Corporation.

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The Committee considered an Agreement with TriMedia Consultants for mold evaluation for forty-four unoccupied Sawyer Buildings. Steve Schenden, SIABC Project Manager, was present and explained proposals for evaluation were requested and three bids were received with TriMedia being the lowest bidder at $9,525. The mold evaluation will identify buildings that require cleanup, determine cleanup procedures and estimate costs for use in prioritizing buildings for cleanup and seeking further funding. The evaluation will include recommendations regarding equipment, training, and notification.

TriMedia is knowledgeable and experienced, having completed mold investigations for other clients. TriMedia understands the requested scope of work and is familiar with Sawyer.

It was moved by Comm. Arsenault, seconded by Comm. Wallace, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board authorize the Agreement with TriMedia for $9,525 for the mold evaluation of forty-four unoccupied buildings at SIABC.

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The Committee considered a resolution in support of hosting the 2004 Michigan Association of Counties Annual Summer Conference. Chairperson Corkin, member of the MAC Board of Directors, noted Marquette County hosted the MAC Annual Summer Conference in 1997. This conference was very successful and County Commissioners around Michigan would like to come to Marquette again.

The Lake Superior Community Partnership along with the Marquette County Convention and Visitors Bureau will assist MAC and Marquette County in organizing another Summer Conference. If the County Board of Commissioners desires to host the 2004 Summer Conference Chairperson Corkin will push for it at the MAC Board Meetings.

It was moved by Comm. Tuominen, seconded by Comm. Joseph, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board adopt a Resolution in support of hosting the 2004 Michigan Association of Counties Annual Summer Conference.

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Chairperson Corkin opened the meeting for public comment, none was forthcoming.
Comm. Tuominen reminded Commissioners that the Road Commission will be holding a public meeting at 6:30 P.M. tomorrow night (Wednesday, July 24, 2002, 6:30 P.M., Ishpeming Township Hall).

There being no further business, the meeting was adjourned at 7:45 p.m.

Respectfully Submitted,

David J. Roberts
Marquette County Clerk
MARQUETTE COUNTY BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE
Tuesday, July 23, 2002, 6:00 P.M.
Room 231, Henry A. Skewis Annex, Marquette, MI 49855

1. ROLL CALL.
2. APPROVAL OF THE MINUTES of the COMMITTEE OF THE WHOLE MEETING HELD ON JULY 9, 2002.
3. PUBLIC COMMENT.
4. APPROVAL OF THE AGENDA.
5. Review of Claims and Accounts.
7. Building Code Department Update (no packet materials)
8. Mid-Year Budget Amendments (MATERIALS FORTHCOMING AT MEETING).
9. Sawyer International Airport & Business Center Quarterly Reports.
10. EDC Purchase of Properties at SIABC.
11. Frank the Mover Lease Term Amendment.
12. SAGE Building Preliminary Design Work Contract Award.
15. RESOLUTION SUPPORTING
16.
17.
18. PUBLIC COMMENT.
19. COMMISSIONER COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS.
20. ADJOURNMENT.