MARQUETTE COUNTY BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE
Tuesday, February 22, 1994 at 4:30 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 FEBRUARY 8, 1994.
3. PUBLIC COMMENT.
4. APPROVAL OF THE AGENDA.
5. Review of Claims and Accounts.
6. Presentation by Orrin E. Bailey, Director of the Six County
   Consortium.
7. Request from Mike Farrell, Marquette County Drain
   Commissioner to appoint Robert S. Regis as Deputy Drain
   Commissioner.
8. Recommendation from Dennis Aloia, County Administrator,
   regarding Maplewood Development Proposal for the Acocks
   Property.
9. Letter to Skandia Township Board concerning the Shooting
   Sports Complex and the discontinuation of Township zoning.
10. Communication from Pellestar, Ltd. regarding soil
    remediation.
11. Letter from Governor John Engler regarding School Finance
    Reform.
12. Acknowledgement from Representative D.J. Jacobetti regarding
    County Resolution #94-04 addressing revenue sharing.
13. Letters from Representative D.J. Jacobetti and Representative
    David Anthony regarding the filing deadline for the Homestead
    Property Tax Affidavit.
14. Memo from Dennis Aloia, County Administrator, regarding his
    employment agreement.
15. Announcement of a special Base Conversion Authority Meeting
    on Monday, February 28, 1994 at 2:00 p.m. at the K.I. Sawyer
    Officer’s Club to consider the proposed Job Corps Program.
    A public hearing is scheduled regarding the
    Job Corps Program for Wednesday, February 23,
    1994 at 7:00 p.m. at the Marquette Holiday
    Inn.
16. Discussion with Social Services Board regarding the operation
    of the Valente Medical Care Facility. (No packet materials)
    (Estimated starting time 5:30 p.m., lasting at least one
    hour)
17. Mike Zorza

18.

19. PUBLIC COMMENT.
20. ANNOUNCEMENTS.
21. ADJOURNMENT.
BOARD OF COMMISSIONERS    COUNTY OF MARQUETTE    FEBRUARY 22, 1994

The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, February 22, 1994 at 4:30 p.m. in Room 231 of the Henry A. Skewis Annex, Marquette, MI 49855.


It was moved by Comm. Potvin, seconded by Comm. Trudell, and unanimously carried by voice vote that the minutes of the Committee of the Whole meeting held on February 8, 1994 be approved.

Chairperson Corkin opened the meeting for public comment. Howard Fissette, 705 Grove St., Marquette, requested to speak to agenda item 8) regarding the Maplewood Development Proposal for the Acocks Property. There being no further public comment, Chairperson Corkin closed this portion of the meeting.

It was moved by Comm. Arsenaault, seconded by Comm. Joseph, and unanimously carried by voice vote that the agenda be approved with the following late addition: item 17) a packet of information from Michael Zorza, Emergency Program Manager, regarding a Declaration of Emergency to the Governor due to the damage and disruption of public water supply systems in Marquette County because of sub-zero temperatures.

It was moved by Comm. Minelli, seconded by Comm. Braamse, and unanimously carried by voice vote that Claims and Accounts for the period February 4, 1994 thru February 18, 1994 in the amount of $1,409,674.44 be approved.

Chairperson Corkin introduced Orrin E. Bailey, Director of the Six County Consortium, to make a presentation. Chairperson Corkin added that the Consortium has been pleased with Mr. Bailey’s performance since beginning his duties two-and-a-half months ago.

Mr. Bailey thanked Chairperson Corkin for the introduction and pointed out that the Six County Consortium is a fine organization that will continue to deliver training within our Six County area. The Consortium is made up of two representatives from each County. Marquette County’s representatives are Comm. Corkin and Comm. Arsenaault. The Consortium also has a Private Industry Council (PIC) which serves youths 14 thru 21 and adults 22 and up. Mr. Bailey was recently named to the K.I.Sawyer Base Conversion Authority’s Reuse Committee, to evaluate proposals submitted by various contractors.

Mr. Bailey further reported that the JPTA Summer Jobs Program grant information, which is usually available by November, will be available to local units by the beginning of March. Local communities will have adequate time to submit proposals. He will see to it that Marquette County is notified. Mr. Bailey wants to know and work with the Marquette County Board. He will be meeting with Administrator Aloia about program delivery within Marquette County in the near future.

Chairperson Corkin thanked Mr. Bailey for his presentation.

The Committee considered a request from Mike Farrell, Marquette County Drain Commissioner, to appoint Robert S. Hegis as Deputy Drain Commissioner. Mr. Farrell was present and pointed out that the Michigan Drain Code allows the Drain Commissioner to appoint a deputy if the County Board of Commissioners approves.
Presently, Mr. Farrell works for Chocolay Township as a Planner and as part of his duties he must review a plat. This creates conflict of interest so a Deputy Drain Commissioner would be required to sign the plat. A Deputy Drain Commissioner would only be called upon when needed and there should be very few conflicts of interest, and only in matters dealing with Chocolay Township.

Dennis Aloia, County Administrator, added that past Drain Commissioner, Darryll Sundberg, had many conflicts of interest because of his business, so a Deputy Drain Commissioner was used quite often. The Deputy Drain Commissioner costs are paid out of the Drain Commissioner's budget. This is required by law and when there is a conflict of interest then the County Board must pay. Mr. Farrell will have very few conflicts of interest unlike the past Drain Commissioner.

It was moved by Comm. Potvin, seconded by Comm. Arsenault, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve the appointment of Robert S. Regis, Assistant Professor of Earth Science, Northern Michigan University, as Marquette County Deputy Drain Commissioner.

The Committee considered a recommendation from Dennis Aloia, County Administrator, that the County Board turn down the offer from Maplewood Development Group for the purchase of the Acoks Property and terminate further negotiations. Mr. Fissette's proposal does not offer enough money for the property and Mr. Aloia believes the County may be better off continuing to own the facility and allowing the Employment Programs to stay there.

Civil Counsel, David Payant, prepared the purchase agreement; however, he pointed out that the contract contains extensive language requiring that the purchaser assume liability for environmental problems that exist on the site. While this language is enforceable, he believes Mr. Fissette not to be in a financial position to perform his side of the agreement, therefore the environmental liability language is meaningless. Any future problems would still have to be remedied by the County. Mr. Payant suggested that the County Board not enter into an agreement to sell the property to Mr. Fissette, at least until all possibilities have been explored.

Mr. Howard Fissette, President, Maplewood Development, Inc., was present and thanked Civil Counsel Payant and Administrator Aloia for their efforts and work in preparing a purchase agreement. Mr. Fissette then introduced Ms. Patty Stevens, 1550 Vandenboom Road, Marquette, to shed new light on his proposal.

Ms. Stevens reported there are two new principals in the Maplewood Development Group, Carol Stevens, her mother, and herself. Both are licensed realtors in the State of Michigan. Ms. Stevens hopes to change the Commissioners' mind on the Administrator's recommendation. Carol Stevens, who could not be present because of another commitment is presently the office manager and a broker with Century 21 Prime Realty. Both her mother and herself have an impeccable reputation. They would like to develop the Acoks property into a Senior Assisted Living Facility. If that is not feasible, then it would be developed into a low income housing development.

Ms. Stevens showed a video presentation explaining what Senior Assisted Living involves.

Chairperson Corkin pointed out that Marquette General Hospital purchased the Brookridge Property several years ago to do exactly that, to develop a Senior Assisted Living Facility; however, so far such a facility is not financially feasible.

Commissioners, Staff, Ms. Stevens, and Mr. Fissette, engaged in a lengthy discussion regarding zoning, financial commitment, and environmental liability. Negaunee Township will not create any new zoning changes until the property is sold. Ms. Stevens indicated that she will be working with investors who may want to join with Maplewood Development, but was reluctant to sign any personal commitment to the project.
Comm. Arsenault would like to see that whoever purchases the property has the financial capability to complete whatever project is proposed. He will not support any proposal until there is a corporation or group that he is confident can financially complete their project.

Administrator Aloia added that ultimately the environmental liability may lie with the County whether they sell the Acocks property or not, at least if the County owns the property we can pick and choose as to which areas are developed and which areas are left undisturbed. If the property is sold and the new owner uncovers, for example, some ground water contamination, and they do not have the financial capability to remediate it, liability would fall back on the County of Marquette. Administrator Aloia is still working on bids for appraising the property. For the present, Administrator Aloia thought it best that the County Board continue to own the Acocks property and allow the Employment Programs to stay there, and also other departments are storing equipment at the property.

It was moved by Comm. Trudell, seconded by Comm. Braaske, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board turn down the offer to purchase the Acoks Property and terminate further negotiations with the Maplewood Development Group, Inc.

The Committee considered a report on the Medical Care Facility financing submitted by Brad Cory, Medical Care Facility Administrator, and Dennis Aloia, County Administrator. Also present to meet with the Committee of the Whole to discuss the report were members of the Marquette County Board of Social Services, Jim Alderson, Chairperson, and Members, Carolyn Bridge and Jan Sonaglia. Also present, Medical Care Facility Administrator, Brady Cory and his Assistant, Teresa Luetzow.

The report submitted by Mr. Cory and Mr. Aloia recommended the following:

1) That the Department of Social Services and the County Board agree to ask for a millage for the Marquette County Medical Care Facility for an amount up to 1 mill for a period of ten years. They recommend that the millage election be held as a special election in 1995, so that it may be implemented on tax bills December 1, 1996 for the budget year 1997, or earlier.

2) That this millage be utilized for repayments of monies loaned from the Medical Care Facility to the County for interim payments of M.O.E., and M.O.E. in future years, as well as operations, capital improvements and costs of special elections.

3) That the language to be used in the millage election will be written by the Department of Social Services Board and the Medical Care Facility staff and approved by the County Board for submission to the election board.

4) That the Medical Care Facility contribute $100,000 for each budget year prior to the year that revenues are available for inclusion in the budget from the millage. The facility contribution will be reimbursed through the millage with accrued interest.

5) If a special election is held, it will be paid for by the Medical Care Facility, to be reimbursed through the millage if successful.

6) That a memorandum of understanding shall be drawn up to fully outline and clarity the intent of the parties in these matters.
Brad Cory, MCF Administrator, explained how the Medical Care Facility differs from private nursing homes. The Medical Care Facility provides a safety net for the poor and indigent. Statute mandates that the County Medical Care Facility give priority to the poor and indigent, therefore the Medical Care Facility admits patients on a first come, first served basis. As a result it has 97% occupancy by medicaid patients. Medicaid was not designed to fully cover the costs of nursing home care. The cost for nursing home care is approximately $35,000.00 to $40,000.00 per year. The Medical Care Facility is reimbursed at a rate of 96% to 97% by medicaid for these costs.

Jim Alderson, Social Services Board Chairperson, contended that this millage proposition all started over a $100,000.00 County budgeting problem. The Social Services Board will loan the money to the County Board; however, they do not have the authority to decide how the County Board pays its Maintenance of Effort. The Social Services Board does not want to be in an adversarial position with the County Board, and should the County Board decide to go to the voters for a millage, he would support it. Marquette County Medical Care Facility is much needed in Marquette County.

Chairperson Corkin pointed out that the County Board is facing some difficult budget decisions and realizes that they will have to make these decisions on their own; however, they always ask other boards for input. They would like the input and cooperation of the Social Services Board regarding a millage proposal.

Administrator Aloia gave a financial overview, history, and projection for the Medical Care Facility. Nearly ten years ago a millage was approved for the new building. At that time MOE was approximately $350,000.00. With the construction of the new building the MOE was supposed to be less because of better efficiency, lower equipment, etc., and because it dropped as low as $216,000.00 in 1991; however, in 1993 it climbed back up to $398,000. We are nearly at the cap of $400,000.00, which according to the law, sunsets next year. In the meantime County revenues have remained relatively stagnant. Currently we are using part of the CIP fund from the MCF bond issue to assist in the MOE.

Maintenance of Effort directly relates to facility operating expenses. Higher cost means higher MOE. Costs like workers compensation and health insurance premiums are rising and the MCF has no control over these. The County is required to pay MOE by law. Comm. Potvin requested a legal opinion as to whether the MOE has to be paid out of the County general fund or out of Medical Care Facility funds.

It was noted that patients at the Medical Care Facility receive excellent care. The ratio of staff per patient is much higher than private nursing homes. MCF staff receive better wages and benefits than staff at private nursing homes. The wages and benefits for the Medical Care Facility employees, which are County employees, however still do not compare with regular County employees.

Dennis Aloia, County Administrator, further explained that there will be a deficit in the Medical Care Facility budget whether or not the County can provide the $400,000.00 annual MOE. In 10 to 20 years depreciation will cost more because maintenance costs will continue to rise. The County Board of Commissioners will be conducting a Strategic Planning Session this Spring and Medical Care Facility financing will be a major topic.

Carolyn Bridges, Jan Sonaglia, and Jim Alderson, all indicated their desire to keep the Medical Care Facility open and operating, and will work very hard to support the County Board whatever their decision.

Chairperson Corkin, on behalf of the County Board, expressed his appreciation to the Social Services Board and Medical Care Facility Staff for participating in the discussion and their offer to help during the next several budget years.

It was moved by Comm. Seppanen, seconded by Comm. Minelli, and unanimously carried by voice vote that the Committee of the Whole refer the financial forecast and report for the Marquette County Medical Care Facility to the AdHoc Budget Committee for consideration during the FY 1995 budget process.
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The Committee considered a letter from Chairperson Corkin on behalf of the County Board to Skandia Township Supervisor, Earl Robinson, explaining the County's decision to eliminate zoning and to construct a Shooting Sports Complex. It was moved by Comm. Potvin, seconded by Comm. Bergdahl, and unanimously carried by voice vote to forward the letter to Skandia Township.

The Committee considered a letter from Kenneth Miton, President of Ferlestar LTD., regarding their efforts to acquire a Thermal Oxider required by the DNRF for their soil remediating program. It was moved by Comm. Arsenault, seconded by Comm. Seppane, and unanimously carried by voice vote to place the communication on file.

It was moved by Comm. Trudell, seconded by Comm. Potvin, and unanimously carried by voice vote to place the communication on file from Governor John Engler regarding State Revenue Sharing, Tax Abatements, and Tax Increment Financing as they relate to School Finance Reform.

It was moved by Comm. Seppane, seconded by Comm. Braaske, and unanimously carried by voice vote to place on file a communication from Rep. D.J. Jacobetti acknowledging Marquette County Board of Commissioners resolution #94-04 regarding County Revenue Sharing.

It was moved by Comm. Seppane, seconded by Comm. Braaske, and unanimously carried by voice vote that a communication be placed on file from Rep. D.J. Jacobetti regarding the Marquette County Board of Commissioners resolution #94-07 regarding extending the deadline for the Homestead Property Tax Affidavit.

The Committee considered a memo from Dennis Aloia, County Administrator, regarding the automatic renewal of his four-year employment agreement. Mr. Aloia explained that the employment agreement, which began in 1986, has a clause in Section 2, Sub-Section E, which states that this contract will be automatically renewed for four years unless prior notice is given to the employee by the employer or vice versa, 120 days prior to termination date. The agreement was extended for a second four-year period from July 1, 1990 to July 1, 1994, and so by simple calculations the 120 day period expires on March 3rd, of this year.

Administrator Aloia's letter serves as a reminder to the Board of Commissioners about the automatic renewal of his contract, and provides time for Commissioners to address concerns prior to the four-year renewal. If it is the Board's intent to give notice to renegotiate the contract prior to the automatic renewal, Administrator Aloia would like to know as soon as possible.

Comm. Potvin expressed concern about an automatic renewal, and wanted a committee set up to discuss the contract, not necessarily to change anything, but he believed that the contract should be discussed.

Administrator Aloia further explained that the automatic renewal provides only for the contract in general terms. Many specific items may be negotiated on a yearly basis during the budget process.

It was moved by Comm. Arsenault, seconded by Comm. Seppane, and carried by voice vote, nine (9) ayes with one (1) nay, (Comm. Potvin voting nay) that the Committee of the Whole recommend the County Board allow the Administrator's contract to be automatically renewed for a four-year period beginning July 1, 1994 and ending July 1, 1998.

The Committee considered a packet of materials distributed by Lt. Michael Zorza, Emergency Programs Director, containing background information leading up to the declaration by the County Board of a State of Emergency in Marquette County, and a letter from Chairperson Corkin requesting that the Governor declare a State of Emergency, especially in the
cities of Ishpeming, Marquette, and Negaunee, due to the failure and
destruction of the public water supply systems as a result of the sub-zero
weather.

It was moved by Comm. Arsenault, seconded by Comm. Braamse, and
unanimously carried by voice vote to place the communication on file.

Chairperson Corkin opened the meeting for public comment, none was
forthcoming.

The Committee considered two announcements:

A public hearing is scheduled regarding the Job Corps Program for
Wednesday, February 23, 1994 at 7:00 p.m. at the Marquette Holiday Inn.
On Monday, February 28, 1994 at 2:00 p.m. at the K.I.Sawyer Officer's
Club, the Base Conversion Authority will meet to consider the proposed Job
Corps Program.

It was moved by Comm. Seppanen, seconded by Comm. Arsenault, that the
Committee of the Whole request Chairperson Corkin to vote positive on the
Job Corps issue at the Base Conversion Authority meeting on Monday, February
28th. The motion failed on a five-to-five tie vote. Ayes: Comm. Seppanen,
Potvin.

Further Announcements: There will be a special presentation on the
Phoenix Project to the Marquette County Board and EDC, and any interested
citizen, Wednesday, March 2, 1994 at 7:00 p.m. in the Superior Room at the
Holiday Inn.

Comm. Potvin provided a brief report on the MAC Conference he recently
attended: a) County Commissioners in Michigan seem very optimistic with Tim
McGuire, New Executive Director of MAC at the helm; b) He had the
opportunity to thank Rep. Mary Brown for her support on the specific tax
issue; c) State Senator, Debbie Stabenow, will try to support Marquette
County's position on the specific tax issue in the Senate; d) Rep. Lynn
Jondahl would like to see a packet of background information on the specific
ore tax issue; and e) the baseball caps are compliments of Comm. Potvin's
begging at the MAC Conference.

There being no further business the meeting was adjourned.

Respectfully submitted,

[Signature]

David J. Roberts
Marquette County Clerk