The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, February 11, 1997 at 5:00 p.m. in Room 231 of the Henry A. Skewis Annex, Marquette, Michigan.


The Committee of the Whole considered a list of KI Sawyer Lease Applications for their review. County Administrator Steve Powers was present and explained the review process for leases will be part of the Implementation Plan for the reuse of KI Sawyer. At tonight’s meeting the Committee of the Whole will be asked to either endorse, deny, or modify the lease proposals. Many of the details for the various leases are yet to be worked out and each lease application is different so they must be considered separately. It is important that the County Board take action to endorse, deny, or modify in order to give staff direction and assurance to those parties making potential investments at KI Sawyer.

Several of the lease applications were sent to the Planning Commission for their review and comment. Those applications deal with the housing units, the Gwinn Schools, and the chapel. In order to keep these projects moving forward, a dual track approval process will be in place - one for the State lease process and one for the County Board lease process. This is in case the lease application for a particular company is not approved by the April 1, 1997 deadline when the State turns KI Sawyer over to the Local Reuse Authority. Recommended action is to either endorse, deny, or modify each lease proposal; have staff continue to negotiate the lease agreements; and have these lease agreements brought back to the County Board or to the Sawyer Economic Development Commission for final approval.

Chairperson Corkin opened the meeting for public comment regarding any of the pending lease applications which include: 1) Road Commission - Building 533 2) Aluminum Extrusion Manufacturer - Building 661 3) Gwinn Schools - Modular Classroom formerly used by NMU 4) Telecommunications Company - Part of Building 708 5) MACASU Credit Union 6) MACASU Housing Units - 340 scattered units in three Townships 7) Chapel - Calvary Free Evangelical Covenant Church, and 8) KI Sawyer Development Company - 54 units along Banshee Street. No public comment was forthcoming regarding any of the lease projects. Chairperson Corkin closed the public comment on the KI Sawyer Lease Applications.

It was moved by Comm. Tuominen, seconded by Comm. Rapport, and unanimously carried by voice vote, that the Committee of the Whole recommend that the eight pending projects on the Lease Application list be brought back to the County Board for final approval.

The Committee considered the KI Sawyer Lease Application for the Marquette County Road Commission for Building No. 533 and the surrounding fence storage lot area. Anticipated occupancy would be by next spring.
Comm. Tuominen thought that Building No. 530 was also on the Road Commission’s application and requested that the Administrator check into the matter. The County Board has already endorsed the Road Commission Project of moving the Gwinn and Skandia operations to KI Sawyer. It the Staff’s recommendation to endorse the Road Commission Project.
It was moved by Comm. Roberts, seconded by Comm. Tuominen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board endorse the Road Commission Lease Application.

The Committee considered a Lease Application for an Aluminum Extrusion Manufacturing Project for Building No. 661. The application is for hanger No. 1. This is a $4 million project with potential employment of 30 to 40 people.
Staff recommendation is to endorse the Lease Application.
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It was moved by Comm. Tuominen, seconded by Comm. Seppanen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board endorse the Aluminum Extrusion Manufacturing Lease Application.

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The Committee considered a KI Sawyer Lease Application from the Gwinn Schools for the Modular Classroom Building formerly used by Northern Michigan University.

Norman Holmes, Chairperson, Planning Commission, was present and explained that the Gwinn Schools would like to utilize the Modular Classroom at its present site and in the future add to it.

Staff recommendation is to endorse the Lease Application.

It was moved by Comm. Roberts, seconded by Comm. Joseph, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board endorse the Lease Application from Gwinn Schools for the Modular Classroom formerly used by NMU.

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The Committee considered a Lease Application from a Telecommunications Company for part of Building No. 708. County Administrator Steve Powers pointed out that the original request from the Telecommunications Company was for 20,000 square feet of 120,000 square foot building. This company has been working for some time on the Lease Application, however, just recently the Air Force denied their application because it decided not to lease portions of buildings. Other options are being considered and the Staff recommendation is to place this Lease Application on hold.

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 place on hold the KI Sawyer Lease Application from a Telecommunications Company.

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The Committee considered a KI Sawyer Lease Application from MACASU Credit Union. Ray Amtmann, Secretary Treasure of MACASU was present to explain that his company is working with a bank for credit union/banking type operations. They believe it is an excellent opportunity to provide financial services at KI Sawyer as the Base develops and to become a part of its reuse. The former Credit Union Building is 3,000 square feet of office space and it has its own heating system. The roof needs fixing at an estimated cost of $8,000. Mr. Amtmann indicated they are seeking a five year lease at $1.50 per square foot with an option to purchase at the end of five years for $30,000.

The Staff recommendation is to endorse the Lease Application with concurrence from the Planning Commission.

It was moved by Comm. Seppanen, seconded by Comm. Tuominen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board endorse the KI Sawyer Lease Application for the former Credit Union Building to the MACASU Credit Union.

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The Committee considered a KI Sawyer Lease Application from MACASU for 340 scattered housing units located within three Townships plus office building space. Ray Amtmann, Secretary Treasurer of MACASU was present and provided a large diagram of the various Housing Unit Projects at KI Sawyer. MACASU is actually proposing two agreements:

First, for condo type hotel units, completely furnished, to be utilized by skiers, snowmobilers, and golfers.
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Second, a six phase housing development plan spread in three Townships and intentionally developed in that manner in order to work positively for the reuse of KI Sawyer throughout the whole area. The housing units will provide leases to tenants which include utilities, grass mowing, snow removal, but not including telephone and cable television. Their proposal is consistent with the County's Housing Plan and consistent with a clustering approach providing for good, clean neighborhoods. Obviously the County must provide the snow plowing of the main streets and municipal garbage pickup. The housing units will be placed on the tax rolls as they are leased.

The housing development will provide a development tool as manufacturing and industry grows at KI Sawyer. The housing units will also utilize utilities at a continually increasing rate. Mr. Amtmann explained one of the markets they are looking for are those young people who cannot afford to purchase a home at this time but would like to lease an apartment. Another market are elderly citizens who have owned a home for 30 or 40 years but now would like to live in a maintenance free environment and perhaps go south for the winter. This project is privately funded betting on KI Sawyer's future. It has received support from the Townships, and the schools, and the Gwinn Area Business Association.

Administrative Staff recommends endorsing the Lease Application with concurrence by the Planning Commission.

It was moved by Comm. Roberts, seconded by Comm. Joseph, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board endorse the KI Sawyer Lease Application from MACASU for housing units.

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The Committee considered a KI Sawyer Lease Application from the Calvary Free Evangelical Covenant Church for the Chapel. It was noted by Civil Counsel Payant that a lease or even purchase of the Chapel by the religious organization would not place this building on the tax rolls, however, all of KI Sawyer was previously government owned and none of it was on the tax rolls.

Staff recommendation is to endorse the Lease Application and the Planning Commission concurs.

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 endorse the Sawyer Lease Application for the Chapel No. 2 in the housing area with the Calvary Free Evangelical Covenant Church.

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The Committee considered a KI Sawyer Lease Application from the KI Sawyer Development Company for 54 Housing Units on Banshee Street plus the former Housing Office. Patty Stevens, Consultant, for KI Sawyer Development Company, was present to explain their plans to develop clean, well run, condo type developments along Banshee Street. She hopes more units would be available in the future. They have already received requests from companies who are considering locating at KI Sawyer and need housing for future employees.

Administrative Staff recommends endorsement of the Lease Application and Planning Commission concurs.

It was moved by Comm. Roberts, seconded by Comm. Seppanen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve of the KI Sawyer Lease Application for the KI Sawyer Development Company for 54 Housing Units.

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Chairperson Corkin closed the KI Sawyer Lease Application portion of the meeting.

It was moved by Comm. Seppanen, seconded by Comm. Roberts, and unanimously carried by voice vote that the minutes of the Committee of the Whole meeting held on January 28, 1997 be approved.

Chairperson Corkin opened the meeting for public comment. None was forthcoming.
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It was moved by Comm. Tuominen, seconded by Comm. Rapport and unanimously carried by voice vote that the agenda be approved with the following late additions: Item 16) KI Sawyer Land Update, and Item 17) Request for EDC Drawdown of Funds.

It was moved by Comm. Seppanen, seconded by Comm. Roberts and unanimously carried by voice vote that Claims and Accounts for the period January 23, 1997, through February 8, 1997 in the amount of $1,330,606.77 be approved.

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The Committee considered a memo from Norman Holmes, Chairperson, Marquette County Planning Commission, regarding the Planning Commission’s recommendation for KI Sawyer Capital Improvement Projects. Administrator Steven Powers noted that the Planning Commission is charged with the responsibility of reviewing and prioritizing CIP Projects for Marquette County. The Planning Commission reviewed a list of Capital Improvement Projects scheduled for KI Sawyer and prioritized them as follows: Preservation of infrastructure, transportation surface, transportation aviation, protect value assets (water, wastewater, facilities, etc.) and support existing businesses.

It was moved by Comm. Rapport, seconded by Comm. Seppanen and unanimously carried by voice vote that the Committee of the Whole place the communication on file.

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The Committee considered a memo from Randell Girard, Human Resources Director, regarding a necessary revision to Marquette County’s MERS Resolution. Mr. Girard was present and explained that the County’s retirement system recently ceased to be controlled by the State of Michigan and now is an independent entity. This change in status requires revision to the existing prior Service Credit Resolution that was adopted September 2, 1986.

Mr. Girard submitted for the Committee’s consideration the Revised Resolution that addresses the two items: 1) Reflection of the new identity of MERS, and 2) Expansion of the definition of service credit available for individual purchase. The present County policy requires an employee that receives permission from the County Board to purchase additional service credit toward retirement to assume the full responsibility for payment of both the employer and the employee portions of any expenses related to the purchase.

It was moved by Comm. Seppanen, seconded by Comm. Roberts, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board adopt the Revised MERS Resolution.

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The Committee considered a COPS Universal Hiring Grant. Sheriff Michael Lovelace was present to review the grant proposal and answer questions. The Sheriff’s Department was awarded a COPS Universal Hiring Grant totaling $1,580,415. This is a 100% funded grant for 15 officers for a three year period beginning when the County Board officially accepts the grant.

Sheriff Lovelace intends to deploy the 15 Deputies in the following manner: Six of these positions would be located at KI Sawyer which would form the South Substation servicing not only KI Sawyer but West Branch, Sands, Skandia, Forsyth, Wells and Ewing Townships. Four of the Deputies would establish a West Substation located in Ely Township servicing Michiganme, Champion, Ely, Republic, Humboldt, Ishpeming, and Tilden Townships. Two of the positions would go to marine patrol which would double the County’s enforcement capabilities for both snowmobile and marine patrol. Two of the Deputies would be assigned to the Detective Division to work with newly appointed Detective Lieutenant Jim Bjorne who has already made a significant impact on follow up and case resolution in the three weeks he has been with the Department. The last of the 15 officers would use the position of Community Service Officer which would be an administrative position responsible for coordination of all crime prevention programs such as DARE, Child Watch, Neighborhood Water, Child I.D., etc.
Sheriff Lovelace continued to explain that the $1,580,415 is specifically for hiring officers, not for support staff operation, expenses, and equipment, and also noted that the grant is based on the 1995 wage scale which is not updated to the current contract rate. According to Gary Yoder, Finance Manager, the difference in the wage rate is almost $61,000 per year for these 15 officers. Sheriff Lovelace suggests that the contract with J.J. Security should be terminated as soon as the County LRA takes over for the Conversion Authority with the remaining funds used for the hiring of the 15 officers. Undersheriff Mahler has also been in contact with a Department of Justice Grant Advisor and is making efforts with the assistance of Congressman Stupak's Office to upgrade the wage rate evaluation and to possibly reevaluate and amend the grant award amount. Another revenue source is whatever continued funding the Sheriff's Department could receive from the Keweenaw Bay Indian Community.

Sheriff Lovelace further explained that the County cannot bring in 15 new officers without a tremendous impact on operations and equipment budgets which include cars, uniforms, badges, weapons, gas, insurance, etc. The County missed an opportunity for the COPS MORE Grant in October of 1996, however, this grant program may be offered again in the August through October, 1997 deadline and the Sheriff's Department definitely will apply.

County Administrator Steve Powers pointed out that before the County Board approves the COPS Hiring Grant a detailed budget is needed for the 15 officers, including operational and capitalization expenses with the necessary budget amendments.

Undersheriff Bruce Mahler was present and explained that there is no specific time line on the grant, however the 100% funding that Marquette County received was because other Counties delayed or turned back their grants. Marquette County received notification on December 18, 1996 and should not delay too long if they are to accept the grant.

It was moved by Comm. Seppanen, seconded by Comm. Rapport and unanimously carried by voice vote that the Committee of the Whole direct the County Administrator, Resource Management Staff, and the Finance Manager to work with the Sheriff to develop a detailed budget including revenue, expenses, operational costs, and capitalization for future consideration by the County Board.

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The Committee considered the State and Local Assistance Grant Agreement for FY 1997 between the Michigan Department of State Police, Emergency Management Division, and Marquette County Emergency Services. The grant allocation for FY 1997 amounts to $24,238. Funds are for the administration and oversight of an approved Emergency Management Program.

The Grant Agreement has been given legal and administrative review.

It was moved by Comm. Roberts, seconded by Comm. Seppanen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve the FY 1997 Emergency Management Program State and Local Assistance Grant Agreement.

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The Committee considered an notice from the Superior Behavior Health. Rudolph Kempainen from Ishpeming was elected Chairperson and Ms. Bonnie Gibson from Newberry elected Vice-Chair of the Superior Behavioral Health Board. The Alger-Marquette Community Mental Health merged with the Luce County Mental Health to form the Superior Behavioral Health Board. Superior Behavioral Health will honor all contracts by the two merging Boards. Board meetings are scheduled for 6:00 p.m. on the fourth Wednesday of each month.

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

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The Committee considered a memo from Mike Zorza, Emergency Program Manager, regarding a Regional Winter Storm Emergency Operations Exercise. Lt. Zorza was present and explained that all Upper Peninsula Counties are required to perform some type of emergency exercise to assist with emergency planning needed to cope with a major crisis or disaster situation. Unlike previous county-wide emergency exercises, this year’s exercise is designed to involve all the Counties in the Upper Peninsula. An exercise of this scope has not been conducted since 1991. Lt. Zorza noted that as a part of the exercise he will attend the County Board meeting on February 18th to provide a briefing and review of the emergency declaration process.
Chairperson Corkin directed the County Clerk to place the briefing under Privileged Comment at the February 18, 1997 Regular County Board Meeting.

The Committee considered a Floodplain Management Agreement and Resolution for Republic Township. Ron Koshorek, Resource Management Director, was present and explained that Republic Township has requested the County to adopt a Flood Insurance Resolution and sign and Intergovernmental Agreement. The County has entered into such agreements and adopted resolution with other Townships and the City of Marquette in order for citizens in these municipalities to participate in the Federal Flood Insurance Program.

It was moved by Comm. Tuominen, seconded by Comm. Seppanen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve the Interlocal Agreement and adopt the Republic Township Floodplain Resolution.

The Committee considered an EDC Audit Update from Steve Powers, County Administrator. Mr. Powers reported that the audit is proceeding with ongoing projects. The ongoing projects include the preparation of loan files and allocation of cost to various grants. The audit is scheduled to be complete by March 31, 1997, however, Mr. Powers believes there may be a need for County Financial Staff to assist with the audit. The County Board previously provided authority for County Financial Staff to assist but that authority was good only until December 31, 1997.

It was moved by Comm. Rapport, seconded by Comm. Roberts, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board extend the authority for County Financial Staff to assist with the EDC audit until March 31, 1997.

Administrator Steve Powers provided a KI Sawyer land update. Mr. Powers and Hal Pawley, Airport Administrator, attended the public hearing last week in Grand Rapids. The NRC Director publically stated that he will approve transferring 1,800 acres of tax reverted land to the County of Marquette. Mr. Powers met with the Michigan Jobs Commission after the NRC meeting and noted that it is possible that the land, or the portion of land which is needed for the move of the Airport, will be transferred before April 1, 1997.

Chairperson Corkin thanked Nancy Douglas from Houghton and David Holli from Ishpeming who are the Upper Peninsula representatives on the Natural Resources Commission. They advocated on behalf of Marquette County. Chairperson Corkin also thanked Steve Powers and Hal Pawley for attending the meeting in Grand Rapids.

The Committee considered a request from the Marquette County EDC for a drawdown of funds. Comm. Bergdahl, who is President of the EDC, noted that $11,980.61 is needed to meet cash flow, payroll, and audit expenses for January and February.

Administrator Steve Powers pointed out that should the County Board refuse to provide the drawdown of funds to the EDC, it would not result in the audit being completed any sooner. He recommended the drawdown be approved.

It was moved by Comm. Bergdahl, seconded by Comm. Tuominen, and carried by voice vote 7 Ayes to 1 Nay (with Comm. Rapport voting Nay), that the Committee of the Whole recommend the County Board approve a drawdown of funds for the Marquette County EDC in the amount of $11,980.61.

Chairperson Corkin opened the meeting for public comment. None was forthcoming.
COMMISIONER COMMENTS, STAFF COMMENTS, AND ANNOUNCEMENTS

Comm. Bergdahl noted that CNN News has been advertising for businesses come to Michigan and establish in one of the Renaissance Zones because everything is free.

Comm. Roberts pointed out that the transition period from the Base Conversion Authority to the LRA will not be like flipping a light switch, but will be a slow process.

There being no further business to come before the Committee of the Whole, the meeting was adjourned at 7:00 p.m.

Respectfully Submitted,

[Signature]

David J. Roberts
Marquette County Clerk
1. ROLL CALL.


3. PUBLIC COMMENT.

4. APPROVAL OF THE AGENDA.

5. Review of Claims and Accounts.

6. KI Sawyer Pending Lease Applications: (materials forthcoming)
   a. MACASU Housing Units
   b. MACASU Credit Union Building
   c. KI Sawyer Development Company
   d. Telecommunication Companies
   e. Gwinn Schools
   f. Chapels

7. Planning Commission Recommendations regarding Pending Leases at KI Sawyer.


9. MERS Resolution from Randell E. Girard, Director of Human Resources.

10. COPS Universal Hiring Grant Strategic Plan.

11. Emergency Management Program State and Local Assistance Grant Agreement.

12. Informational Item regarding Superior Behavioral Health Update.


14. Republic Township Flood Plain Management Agreement and Resolution.

15. EDC Audit Update from Steve Powers, County Administrator.

16. [Handwritten note: Land update - KI Sawyer]

17. [Handwritten note: EDC Drawdown]

18. PUBLIC COMMENT.

19. ANNOUNCEMENTS.

20. ADJOURNMENT.