The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, January 22, 2002, 6:00 P.M., in Room 231 of the Henry A. Skewis Annex, Courthouse, Baraga Avenue, Marquette, Michigan.


It was moved by Comm. Arsenault, seconded by Comm. Seppanen, and unanimously carried by voice vote that the minutes of the Committee of the Whole Meeting held on January 8, 2002 be approved.

Chairperson Corkin opened the meeting for public comment. Marie Harris, Forsyth Township, noted that she and Tim LeMoine are present to speak to agenda item 9 regarding a Lease Agreement for Sawyer Building $22.

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

It was moved by Comm. Seppanen, seconded by Comm. Tuominen, and unanimously carried by voice vote that the agenda be approved with the following additions: Item 19) KI Sawyer Quarterly Financial Report, and Item 20) Response from U.S. Senator Carl Levin regarding the Sawyer SAGE Building.

It was moved by Comm. Wallace, seconded by Comm. Nordeen, and unanimously carried by voice vote that Claims and Accounts for the period January 11, 2002 through January 17, 2002 in the amount of $846,885.86 be approved.

The Committee considered a presentation from Robert Tarrant, MSU Program Coordinator for the Development of a Public and Private Sector Critical Incident Partnership. Mr. Tarrant retired in 1998 from the Michigan State Police, EMS Division Director and is now working with MSU on the Critical Incident Partnership Project. Federal grant dollars are available and MSU has recognized that Marquette County would be a perfect location to pursue a Critical Incident Partnership.

Mr. Tarrant outlined the program objectives which include:

- Creating public and private sector understanding of the common goal to protect lives and property while sustaining continuity of community life,
- Encouraging public and private entities by initiating or enhancing critical incident partnership processes,
- Developing and understanding of neutral goals on how public/private resources can compliment and support each other,
- Developing joint risk assessments and planning processes, including joint table top exercising, and
- Developing a critical incident plan to meet the needs and desires of the community.

Mr. Tarrant further explained that Community Critical Incident Partnerships will bring together teams from the communities comprised of the public and private sector. These teams will meet in a facilitation style format and begin the risk assessment and emergency planning process. Each team will be required to develop their community plan and conduct the table top exercise within six to nine months. Interaction will be maintained through a website established and monitored by MSU. The entire process would be Marquette County’s plan and direction it wants to take.

Lt. Mike Zorza, Emergency Program Manager, noted the Critical Incident Partnership process fits into Marquette County’s Emergency Preparedness Plan. We can no longer isolate public and private emergency concerns and this process will enhance relationships. Marquette County has a good history in that the private sector through the Lake Superior Community Partnership and the public sector through Marquette County have been redeveloping KI Sawyer.

It was moved by Comm. Wallace, seconded by Comm. Seppanen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve MSU working with Marquette County to develop the concept of a Public and Private Sector Critical Incident Partnership.

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The Committee considered a recommendation from Steve Powers, County Administrator, regarding the uncommitted housing at KI Sawyer. Of the 1,600 housing units at KI Sawyer, 622 remain uncommitted. Sawyer International Airport and Business Center needs housing revenue to help maintain airport operations, marketing and development, and conversion after 2002. These units should be marketed this summer and fall to reduce further deterioration. The unused units could become a blight on the residential area and slow future community development.

Mr. Powers further noted that over 100 Requests for Proposals to purchase the units were sent to housing and real estate developers last summer. No responses were received. In response to the request William E. Pesola submitted a letter of interest stating he and other Sawyer Housing Developers would be interested in discussing an opportunity for partnership with the County. Mr. Pesola met with County Staff and his proposal is for several housing developers to form a limited liability corporation (LLC) with which the County would contract to manage, lease, market, and act as a general contractor. A Sawyer Housing Committee would be formed with County participation. The LLC would make decisions regarding the housing units and a third party would be hired to market and sell the homes to eliminate any conflicts of interest. The LLC and the County would share any profits at a yet to be determined percentage.

Bill Pesola, representing the Limited Liability Corporation, was present and noted developers had paid over $4 million for houses and invested $5 million in improvements for a total investment of $9 million so far. He could make his proposal this evening or wait until a future Committee of the Whole meeting. He would like to start the project as soon as possible so that housing units could be marketed and sold before the end of 2002.

Vikki Kulju, SIABC Marketing Director, introduced Ray Minervini of the Minervini Group, Traverse City. Mr. Minervini introduced James T. Reardon, Rick Gruber, both of Traverse City, and Mr. Lyle Berro, of Escanaba, all representatives of the Minervini Group. Mr. Minervini noted they flew to Marquette from Traverse City and have toured KI Sawyer and like what they see. The Minervini Group has been involved in the redevelopment of several closed Air Force Bases including Oscoda in Iosco County, Michigan. Rick Gruber of the Minervini Group was recently in San Antonio, Texas regarding a Base Closure and spoke with Tom Rumora regarding KI Sawyer. Coincidently, at the same time Mr. Lyle Berro mentioned Sawyer to the Minervini Group. They came to see for themselves what the possibilities are. They would like to make a proposal to Marquette County but need approximately 30 days to prepare. Their proposal would include not only the housing but also a commercial district to develop a community-wide approach. This prevents the more preferable housing from being cherry picked leaving behind the less desirable housing.

After questions and discussion it was moved by Comm. Bergdahl, seconded by Comm. Nordeen, and unanimously carried by voice vote that the Committee of the Whole schedule presentations by Bill Pesola’s LLC and the Minervini Group at the February 26th Committee of the Whole for a recommendation on the uncommitted housing development at KI Sawyer.

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Harley Andrews, Chief Civil Counsel, provided an update on the Deferred Payment Agreement with KI Processing. Mr. Bahram has paid the past due interest by the required January 16th and must continue to make the monthly interest payments. Loan and Lease payments are now deferred until April 16th or until the property sale closes whichever comes first.

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The Committee considered a Lease Agreement with Marie Harris and Tim LeMoine for approximately 3,000 sq. ft. in Sawyer Building 822.

Vikki Kulju, SIABC Marketing Director, explained that the lease term is for three years beginning at $2 per sq. ft. thereafter the rates will increase annually by 3%. Tenants shall be responsible for paying taxes and insurance on the structure, utility costs, and all interior and exterior maintenance. At the end of the lease term the tenant shall have the option to purchase the property for $64,294.34. The occupancy date shall be three days after completion of heat conversion. It is estimated that heat conversion will be completed in about three months.

Marie Harris and Tim LeMoine were present and noted the proposed use is for a laundromat, snack shop, and movie/game rental facility. The prospective tenants are not seeking an IRP loan but are instead seeking private financing with Pen Bank.

It was moved by Comm. Arsenault, seconded by Comm. Seppanen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve of the Lease Agreement with Marie Harris and Tim LeMoine for 3,007 sq. ft in Sawyer Building 822 as per terms outlined by Staff.

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The Committee considered a bid for an EDA funded instrumentation and control project for the Sawyer water and wastewater plant. Steven J. Schenden, SIABC Project Manager, was present and noted the low bid was from Van Ert Electric Company of Kingsford for $98,400. The projected budget for this project is
$100,000 from the EDA with no local match required. The project will provide for an updated instrumentation and control system with circuit boards which will interface with existing motor controls and provide new wet well level sensors.

It was moved by Comm. Seppanen, seconded by Comm. Wallace, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board accept the bid from Van Ert Electric Company for the Sawyer Water and Wastewater Plant Instrumentation and Control Project in the amount of $98,400.

The Committee considered a bid award for EDA funded water and wastewater plant improvements. Steven J. Schenden, SIABC Project Manager, noted the low bid was from Jamar Company of Marquette for $210,000. The project budget is $258,000 from the EDA with no local match required.

Mr. Schenden further explained the project will provide for a number of improvements to the Sawyer Water and Wastewater Plant which includes installation of the new aeration blower, installation of a new sludge pump, repair and painting of the aerobic digester building, repair and painting of the primary clarifier rakes, collector mechanisms, bridges, etc.

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 approve of the Sawyer Water and Wastewater Plant Improvement Project with Jamar Company of Marquette in the amount of $210,000.

The Committee considered a Change Order No. 3 for the AFBCA Heat Conversion in the amount of $18,097 to add heat sources to the mechanical rooms in Sawyer Buildings 404, 501, 503, 522, 609, 730, 826, and 833.

Steven J. Schenden, SIABC Project Manager, was present to explain that heat sources in mechanical rooms was an oversight from the previous heat conversions. The addition of heat to the mechanical rooms has now been approved by the AFBCA.

Hal Pawley, SIABC Director, noted in the initial heat conversion projects the Air Force would not allow for the heating of the mechanical rooms. Some freezing problems occurred last winter in two of the mechanical rooms and now the Air Force has approved of the funding for these projects.

It was moved by Comm. Wallace, seconded by Comm. Moore, and carried by voice vote 9 Ayes to 1 Nay (Comm. Joseph), that the Committee of the Whole recommend the County Board approve the Change Order No. 3 in the amount of $18,970 with Dresseler Mechanical, Inc. for the additional heat sources to the mechanical rooms for various Sawyer buildings.

The Committee considered a memo from Larry Gould, Facilities Manager, regarding the Technical Energy Audit Report completed by Consumers Energy. A full copy of the report is on file in the Commissioners Room, and representatives from Consumers Energy will be present at the February 5, 2002 County Board meeting to make a presentation and answer questions.

Steve Powers, County Administrator, noted that many of the recommendations in the report can be done in house by facilities staff for very little cost, however there are some recommendations in the report that would require further funding and must be discussed.

It was moved by Comm. Tuominen, seconded by Comm. Moore, and unanimously carried by voice vote that the Technical Energy Audit Report be referred to the February 5th Regular County Board Meeting for discussion and review.

The Committee considered the FY 2002 Access and Visitation Grant Contract in the amount of $27,684. A memo from Carolyn Hanson, Friend of the Court, noted there is a great deal of competition for this type of funding and Marquette County’s continued award is due to the quality of services provided by Child and Family Services and the great need in Marquette County for this program. The grant is 100% state/federally funded. This program provides for support and to facilitate parenting time by non-custodial parents which activities may include: Mediation, counseling, developing of parenting plans, parenting time enforcement (including monitoring and supervision) and the development of guidelines for parenting time and alternative custody arrangements.

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 FY 2002 Access and Visitation Grant Agreement between the Michigan Supreme Court and the Marquette County Friend of the Court in the amount of $27,684.
It was moved by Comm. Moore, seconded by Comm. Nordeen, and unanimously carried by voice vote to accept and place on file a Notice from Michael E. Zorza, Emergency Program Manager, that Marquette County has been chosen to receive $44,381 to supplement emergency food and shelter programs in Marquette County from the Emergency Food and Shelter National Board.

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The Committee considered the Sawyer Financial Reports for 2001. Anne Giroux, SIABC, stated the Sawyer Financial Reports will be provided on a monthly basis from now on. Mr. Giroux noted that Staff has been following the Lease Enforcement Policy in regard to collecting past-due accounts and the past amount due from Sawyer Lumber and the Sawyer Service Center have been paid and forthcoming soon will be payment from Red Fox Woods (non-housing).

It was moved by Comm. Wallace, seconded by Comm. Seppanen, and unanimously carried by voice vote that the Committee accept and place on file the Sawyer Financial Report.

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It was moved by Comm. Moore, seconded by Comm. Wallace and unanimously carried by voice vote that the Committee accept and place on file the following items:

- SIABC Marketing and Development Department Report
- Sawyer International Airport Airline Passenger Report
- SIABC Quarterly Jobs Report

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Chairperson Corkin read a letter from U.S. Senator Carl Levin in response to Marquette County's letter of December 18, 2001 requesting assistance in finding an suitable occupant for the SAGE Building at the former KI Sawyer Air Force Base. Sen. Levin supports Marquette County’s efforts to assist the federal government in determining whether the SAGE Building can contribute to meeting the new challenges the United States faces. He has contacted both the Department of Defense and the General Services Administration about the availability of this facility. He will continue to work to find a way that this facility can be utilized.

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

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Chairperson Corkin opened the meeting for public comment.

Patty Stevens, Real Estate Broker, spoke in regards to the Sawyer Housing. She contended it is possible that Sawyer Housing could develop into a win - win - win situation for County, the developer, and the future tenants/owners. She noted that outsiders sometimes will make a great presentation but they may not always act in the best interests of the County in the long run.

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

**COMMISSIONER COMMENTS, STAFF COMMENTS, AND ANNOUNCEMENTS**

Steve Powers, County Administrator, noted Marquette County has been featured in the Michigan EDC statewide publication in regards to its Sawyer Renaissance Zone.

Steve Powers, County Administrator, also encouraged Commissioners to attend the Michigan EDC Link Michigan Program to be held on January 31st at Northern Michigan University, 4:30-9:30 P.M. Please contact Mary Yelle, Administrative Aide, to attend.

There being no further business, the meeting was adjourned at 7:25 p.m.

Respectfully Submitted,

David J. Roberts
Marquette County Clerk
1. ROLL CALL.
3. PUBLIC COMMENT.
4. APPROVAL OF THE AGENDA.
5. Review of Claims and Accounts.
6. Presentation by Robert Tarrant, MSU Project Manager for Critical Incident Partnerships Community Orientation.
7. Sawyer Housing.
8. KI Processing (no packet materials).
9. Lease Agreement with Marie Harris and Tim LeMoine for Sawyer Building 822.
10. Acceptance of Bid for EDA Funded Instrumentation and Controls Project – Water and Wastewater Plant.
11. Acceptance of Bid for EDA Funded Water and Wastewater Plant Improvement Project.
15. Notice from Michael Zorza, Emergency Program Manager, that Marquette County Will Receive $44,381 to Supplement Emergency Food and Shelter Programs.
17. Sawyer Marketing and Development Department Report.
19. Sawyer 6+13 Report
20. Letter from
21. PUBLIC COMMENT.
22. COMMISSIONER COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS.
23. ADJOURNMENT.