The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, April 9, 2002, 6:00 P.M., in Room 231 of the Henry A. Skewis Courthouse Annex, Baraga Avenue, Marquette, Michigan.


It was moved by Comm. Wallace, seconded by Comm. Bergdahl, and unanimously carried by voice vote that the minutes of the March 26, 2002 Committee of the Whole Meeting be approved.

Chairperson Corkin opened the meeting for public comment. Mr. Dan Kill, Baldwin Avenue, Negaunee, requested he be allowed to speak regarding Item 7) Lease Agreement with AFA Chapter 238 for Sawyer Building 640.

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

It was moved by Comm. Seppanen, seconded by Comm. Moore, and unanimously carried by voice vote that the agenda be approved with the following changes: Delete Item 8) Agreement with Federal Transportation Security Agency for Airport Screening, and add the following Items 12) Airport Security Reimbursement, 13) Michigan DNR Hangar Lease at SIA, and 14) Application to FAA for Increase in Passenger Facility Charges.

It was moved by Comm. Moore, seconded by Comm. Seppanen, and unanimously carried by voice vote that Claims and Accounts for the period March 29, 2002 through April 4, 2002 in the amount of $356,886.89 be approved.

The Committee considered the grounds equipment bid recommendation from Larry Gould, Facilities Manager. Mr. Gould was present to discuss the bid recommendation and answer questions.

Three sealed bids were received and Scooters Motor Sports/John Deere is the low bidder for the tractor and accessories which meet the bid specifications. In addition to the base bid for the tractor, snowblower, and mower, the County requested prices for optional accessories including a broom/sweeper and a cart. The total price for the base bid equipment and accessories is $13,655 with trade-in. This is less than the budgeted amount of $15,400.

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 approve of the grounds equipment bid with Scooters Motor Sports/John Deere for the tractor and accessories – bid amount $13,655.

The Committee considered a Lease Agreement with the Air Force Association (AFA) Chapter 238 for Sawyer Building 640 (the former NCO Club). AFA Chapter 238 has been working with Marquette County on creating an Air Heritage Museum. AFA will become the caretaker of the airplanes exhibited just south of the intersection of 5th Street and Avenue C.

The terms for 16,194 sq. ft in Building 640 also includes approximately 2.4 acres located south of 5th Street and East of Avenue C, plus a strip of parking that connects Building 640. The initial lease is for a term of five years at the following rates:

<table>
<thead>
<tr>
<th>LEASE YEAR</th>
<th>ANNUAL PAYMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>$4,048.50</td>
</tr>
<tr>
<td>Year 2</td>
<td>$5,667.90</td>
</tr>
<tr>
<td>Year 3</td>
<td>$7,287.30</td>
</tr>
<tr>
<td>Year 4</td>
<td>$7,287.30</td>
</tr>
<tr>
<td>Year 5</td>
<td>$7,287.30</td>
</tr>
<tr>
<td>TOTAL LEASE VALUE</td>
<td>$31,578.30</td>
</tr>
</tbody>
</table>

At the end of the 5-year term tenant will purchase the facility and land for $125,000. The rent payments shall be in equal monthly installments on the first day of the month and tenant shall pay all applicable taxes, insurance on contents and structure, utilities, landscaping, and general building maintenance costs, snow removal, and parking lot costs.
Dan Kill, AFA, was present and noted this is a viable project and AFA has been worked on for the last couple of years with Hal Pawley. The AFA has 130 to 140 members in Marquette County. They also envision a P-37 training craft, which was once housed at KI Sawyer, displayed indoors of the museum.

It was moved by Comm. Girard, seconded by Comm. Seppanen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board enter into a Lease Agreement with AFA Chapter 238 for Sawyer Building 640.

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The Committee considered an Employment Agreement with Hal Pawley.

Steve Powers, County Administrator, noted the only changes from the current agreement are the agreement term and the position title. The term of the agreement has now been extended through April 30, 2003, and the title for the position has been changed from Airport Manager to Director, Sawyer International Airport and Business Center. Mr. Pawley has signed the agreement.

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 of the Employment Agreement with Hal Pawley, Director, Sawyer International Airport and Business Center.

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The Committee considered the Family Independence Agency Lease Amendment. Larry Gould, Facilities Manager, was present to discuss the Lease Amendment and answer questions.

The State currently leases 13,825 sq. ft. on the ground floor of the Henry A. Skewis Courthouse Annex. The current 10-year lease expires July 30, 2002. The following lease rate has been negotiated with the State.

The State will pay $208,204 for August 1, 2002 through July 31, 2003, and for August 2003 through July 31, 2004. For the subsequent years 2005, 2006, and 2007 the payment will be $213,458 annually. The current lease rate is $202,121.

Mr. Gould noted the Lease Amendment also includes a 180-day cancellation clause for both the State and the County of Marquette. Marquette County is currently undergoing a Space Needs Study and a cancellation clause is an important amendment to the Contract should other uses be determined to be appropriate for the ground floor of the Annex.

It was moved by Comm. Moore, seconded by Comm. Wallace, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve of the FIA Lease Amendment as per the terms presented by Staff.

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The Marquette County Road Commission made a presentation to the Committee of the Whole outlining its current structure and financial status. Robert Menard, Chairperson of the Road Commission, noted the Road Commission has posted this presentation as a Special Meeting, therefore he officially opened the Road Commission Special Meeting at 6:15 P.M.

Mr. Menard was assisted in the presentation by fellow Road Commission Members Robert Pecotte and Robert Carpenter. Also present to assist in the presentation were the following staff members of the Marquette County Road Commission: Rick Hunt, Director of Finance, Mike Morisette, Director of Operations and Maintenance, James Iwanicki, Director of Engineering, and David Bleau, Director of Administration and Road Commission Secretary.

Mr. Menard used an overhead projector and provided a 12 point presentation of the major elements of proposed short-term and long-term solutions to the Road Commission service and financial problems. County Commissioners and Road Commission Staff engaged in discussions regarding these various elements.

Mr. Menard noted that the Road Commission is holding a Special Meeting on April 29, 2002 and has invited representatives from the Michigan Department of Transportation, the Marquette County Townships Association, the Marquette County Board of Commissioners, and bargaining unit employees of the Road Commission in an attempt to reach consensus on a number of issues and make the Road Commission financially solvent.

Chairperson Corkin thanked Mr. Menard and the Road Commissions Members and Staff for informative presentation. Chairperson Corkin commended the new Road Commission for their efforts especially in light of the financial situation that has been handed them. The County Board will work with the Road Commission and help as best it can and work through any difficulties for a financial solution.

The Road Commission completed its presentation at 7:30 P.M.
The Committee considered a Contract for Airport Security Reimbursement. Steve Powers, County Administrator, noted the federal government recently authorized $157 million to specifically reimburse airports for the cost of the additional security mandated after September 11, 2001. Total Marquette County expenses arrived at by the Finance Department and the Sheriff’s Department amounts to $27,957 for the last quarter of 2001. Marquette County will be reimbursed 100% for this requested amount.

It was moved by Comm. Moore, seconded by Comm. Bergdahl, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve of the Airport Security Reimbursement Agreement with the Michigan Department of Transportation.

The Committee considered a Lease Agreement with the Michigan DNR for hangar space at Sawyer International Airport. Harley Andrews, Chief Civil Counsel, noted after much discussion an agreement has been reached on the terms of the lease for a T-Hangar in which the DNR will keep a twin engine aircraft. The lease is for 1-year commencing July 1, 2002, with options to extend it for up to an additional four terms of 1-year each. The standard rate is being charged for this size of hangar which is $180 per month.

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 of the T-Hangar Lease Agreement with the Michigan DNR at Sawyer International Airport.

The Committee considered 1) an Application to the Federal Aviation Administration for an increase in the Passenger Facility Charges (PFC) from $3 to $4.50 per passenger for current projects and also 2) authorize application to the FAA to collect Passenger Facility Charges for new projects.

Hal Pawley, SIABC Director, was present and noted PFC revenue is needed to fund the local share of eligible capital projects at SIA. The local share is typically 5% of a project’s cost and currently the local share projects that can be funded by PFC is $1,267,255.

The Board of Commissioners previously approved use of $341,820 from the Delinquent Tax Fund to pay the local share projects that had to be completed before PFC revenue was available. The Delinquent Tax Fund will be repaid $218,000 this year, however without increasing the PFC the remaining amount would not be repaid as promptly. Without PFC for new projects the local share would have to be funded from operating revenues, airport sale proceeds, or County capital improvement funds.

Mr. Pawley also distributed a chart showing the Airport Capital Improvement Plan and the PFC financing portions for the current projects affected by recommendation 1; and also a list of the new proposed Capital Improvement Projects and PFC financing for the new proposed projects.

Both these recommendations include collections for projects already completed. The funding catchup is caused by projects that had to be completed in 1998 and 1999 to convert SIA from a military airfield to a civilian airport. Sawyer’s successful and needed participation in the Military Airport Program increased the number of projects. The airlines serving SIA do not oppose the proposed PFC changes. Each commercial passenger pays the PFC charge which are allowed by federal law to fund improvements to commercial airports.

It was moved by Comm. Seppanen, seconded by Comm. Moore, and carried by voice vote 7 Ayes to 1 Nay (Comm. Joseph), that the Committee of the Whole recommend the County Board authorize application to the FAA for an increase in the Passenger Facility Charge from $3 to $4.50 for current projects and also authorize an application to the FAA to collect Passenger Facility Charges for new projects.

Chairperson Corkin opened the meeting for public comment.

Jan Sorensen, Sawyer Community Association Coordinator, was present and requested an update on the negotiations with the Sawyer Housing Developers.

Harley Andrews, Chief Civil Counsel, noted the Negotiating Committee has met with all three of the groups making proposals, however these were not negotiating sessions but more exploratory and fact finding. The Committee is waiting for additional information from the groups and will be meeting again in the next several weeks.

Chairperson Corkin was optimistic the Negotiating Committee will have a recommendation for the County Board in 30 days.

There being no further public comment, Chairperson Corkin closed this portion of the meeting.
Chairperson Corkin noted the “Get Moving U.P.” Project at the NMU Superior Dome started Monday morning and several Commissioners participated. This is a worthwhile initiative which will hopefully make County participants healthier and lower health care costs.

Comm. Wallace invited everyone in the Upper Peninsula to “get moving” and noted that individuals and teams can enter the project on the website at www.wellcup.org.

There being no further business, the meeting was adjourned at 7:45 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. Courthouse Grounds Equipment Bid Recommendation
7. Lease Agreement with AFA Chapter 238 for Sawyer Building 640.
8. Agreement with Federal Transportation Security Agency for Airport Screening.
9. Employment Agreement with Director of Sawyer International Airport.
11. Road Commission Presentation.
12. Airport Fire Agency
13. DVR Haagen Lease
14. Passenger Facility Charges
15. PUBLIC COMMENT.
16. COMMISSIONER COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS.
17. ADJOURNMENT.