The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, April 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 April 9, 2002 Committee of the Whole Meeting be approved.

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

It was moved by Comm. Bergdahl, seconded by Comm. Joseph, and unanimously carried by voice vote that the agenda be approved with the following additions: Item 11) Change Order for Avenue “A” Construction at Sawyer and 11b) IRP Loan for Mid-Peninsula Contractors.

It was moved by Comm. Wallace, seconded by Comm. Nordeen, and unanimously carried by voice vote that Claims and Accounts for the period April 12, 2002 through April 17, 2002 in the amount of $167,863.28 be approved.

* * * * *

The Committee considered a proposal from the Marquette County Firefighters Association for the County Board to consider a concept of a County Emergency Services Training Facility to be located at KI Sawyer. Tom Gardyko, Negaunee City Fire Chief and Chairman of the Marquette County Firefighters Association, Mike Zorza, County Emergency Program Manager, and Ron Demarse, Marquette Township Fire Department, were present to discuss the concept and answer questions.

Mr. Gardyko noted there is a real need in Marquette County to have a training site in order to prepare, train, and coordinate emergency services such as police, fire, and emergency medical response. The need for such a site is even more real since the September 11, 2001 incident as part of homeland security. This concept for a County training site has been endorsed by the cities and townships of Marquette County, the Firefighters Association, the Michigan Firefighters Training Council, County EMS, and the various police agencies. Mr. Gardyko would like the County Board to help establish a training site which would begin as a low cost outdoor site. He suggested a Committee be formed similar to Central Dispatch which has a cross section of firefighters, police and emergency workers which could help plan the facility from the grass roots level the site. Many details will have to be considered including cost and environmental impact.

Mike Zorza noted this idea had been considered about ten years ago and the former County Airport, however the funding was not available at that time. Fire Chiefs need an actual hands on training facility rather than just bookwork and class training. Firefighting and rescue training has become highly technical, especially in the area of hazardous waste or biological threats. Fire departments can no longer just take and abandoned home in a neighborhood and set it on fire for practice purposes.

Mr. Zorza noted he will be retiring June 28, 2002 but will work to get the preliminary work done for the capital improvement process with an estimated startup cost of approximately $50,000. This does not include any property considerations.

Chairperson Corkin noted nearly all the firefighters, rescue, and emergency people in Marquette County are volunteers and save the local units of government many thousands of dollars. The state and federal governments keep raising training and certification requirements for these volunteers and much of the training has to be done outside the Upper Peninsula. This project is a good idea and has great potential.

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 accept the Marquette County Firefighters Association concept of a Marquette County Emergency Services Training Facility to be located at KI Sawyer as a capital improvement project request for the FY 2003 budget process.

* * * * *

The Committee considered the status of the KI Processing, LLC Project with regards to its lease and its IRP loan. Harley Andrews, Chief Civil Counsel, noted last Friday (April 19th) KI Processing made payment (approximately $80,000) on its IRP and Lease without EDC participation. This makes KI Processing current in their present agreement with the County which extends until 10/26/02, however KI Processing plans on closing on the property much sooner.
Civil Counsel Andrews reported on a different but related item regarding KI Processing. There is a need by the Michigan Department of Transportation and the County Road Commission to acquire portions of a parcel of land which was by agreement to be sold to KI Processing. The 21.06 acres that was originally to be transferred to KI Process, because of the realignment of Highway M-94 and the realignment of the business route, approximately 2.1 acres or about 10% must be taken from this parcel. Also in 1999 the County agreed to sell a 4.5 acre parcel (known as the DMRO parcel) to KI Processing in the amount of $20,000 when the County acquires title to the property. (The County does not have title to this property.) The County Road realignment will also require 1.3 acres from this parcel. KI Processing as a result of the rearrangement will receive approximately 3.5 acres less than originally planned. Rather than going through a complicated series of exchanges Hal Pawley, Civil Counsel Andrews, and KI Processing agree to the following proposal: Marquette County conveys the remaining 3.1 acres of the DMRO parcel to KI Processing in exchange for the 3.5 acres less that they would receive overall.

Comm. Tuominen noted that Wednesday, April 17th, the EDC met and has voted to no longer participate in the KI Processing, LLC project. If the County Board approves the land exchange with KI Processing, does this in effect approve accepting the KI Processing payment? Steve Powers, County Administrator, noted he has not yet deposited the KI Processing checks awaiting the outcome of tonight’s meeting.

County Clerk Roberts read the motion from the April 16th County Board minutes which in part stated “County Board would take no action at this time...”. Comm. Nordeen contended that KI Processing, LLC, would have made their payment by April 16th, however they were considering an agreement with the EDC which didn’t pan out so they made the payment on their own on April 19th.

It was moved by Comm. Wallace, seconded by Comm. Nordeen, and carried by voice vote 6 Ayes (Comm. Wallace, Arsenault, Bergdahl, Nordeen, Seppanen, and Corkin to 3 Nays (Comm. Joseph, Girard, and Tuominen), that the Committee of the Whole recommend the County Board approve of the land exchange with KI Processing, LLC, for the road realignment projects at KI Sawyer as outlined by Civil Counsel Andrews.

It was moved by Comm. Seppanen, seconded by Comm. Bergdahl, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board accept the KI Processing payments and direct Administrative Staff to deposit the checks making their lease and loan current.

* * * * *

The Committee considered an Agreement Renewal with the YMCA of Marquette County to manage the Sawyer Fitness Center.

Steve Powers, County Administrator, noted that since May of 1999 the YMCA of Marquette County has managed the Sawyer Fitness Center for the County. The 3-year agreement with the YMCA expires April 30, 2002 and the YMCA has agreed to manage and operate the facility for an additional year. Changes in the recommended agreement from the current agreement include: a) 1-Year term rather than a 3-year term, b) Monthly payment to the YMCA of $6,250 rather than the present monthly payment of $12,500.

Mr. Powers explained for the $75,000 the Sawyer Community receives the YMCA’s expertise in health, fitness, and community development. No one is denied use of the YMCA facilities because of ability to pay. The YMCA provides membership scholarships based on income. The YMCA has requested a 1-year term and this agreement may be terminated by either party on 60 day notice. The facility’s major repair and maintenance items include the roof and boilers. These will be evaluated by the County and the YMCA during 2002/03. The County is responsible for repairs costing over $5,000.

Several Commissioners expressed concern about the continuing cost of operating the YMCA and however they were glad to see the monthly cost cut in half.

Chairperson Corkin took an opposite approach and contended the County must continue to support the YMCA. Comm. Nordeen noted this cost is a small part of the lease revenues collected at Sawyer which is paid back to the community by operating the YMCA.

It was moved by Comm. Wallace, seconded by Comm. Tuominen, and carried by voice vote 8 Ayes to 1 Nay (Comm. Joseph), that the Committee of the Whole recommend the County Board renew the 1-Year Agreement with the YMCA of Marquette County to manage the Sawyer Fitness Center for a monthly payment of $6,250.

* * * * *

The Committee considered the Sawyer International Airport and Business Center budget amendment. Steve Powers, County Administrator, noted the amendment allocates revenues to where need and priorities exist. The budget amendment maintains the County’s priority of operating and developing a quality commercial airport without general fund support. The consolidation of the airport and development department has resulted in expenditure reductions and reallocations, and this amendment includes further reductions and reallocations. The budget amendments also include increases that are necessary to complete projects, reduces revenues that have not yet been received as planned, and makes other adjustments.
Further changes will be necessary in the Sawyer International Airport and Business Center. This amendment is one of several steps that will be necessary to maintain and develop the airport. Additional amendments will be brought to the Board in 2002. These amendments, and the recommended 2003 budget the Board will receive in August will provide opportunity for additional changes in expenditures and revenues.

The budget recommendation amends the Development and Airport Funds as follows: The Development Fund total is $2,197,836. The Airport Fund is $1,324,121. The Development Fund is increased by $208,626 and the Airport Fund has been increased by $74,788. The use of sale proceeds and retain earnings to balance both funds is $1,981,962. The Airport requires a transfer of $464,399 from the Airport Fund.

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 approve the Sawyer International Airport and Business Center First Quarter Budget Amendments.

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 request a 3-Year budget projection during the 2003 budget process from the SIABC.

*********

It was moved by Comm. Arsenault, seconded by Comm. Nordeen, and unanimously carried by voice vote to place on file the Sawyer International Airport and Business Center Quarterly Financial Report, the Marketing and Development Department Report, and the SIA Airline Passenger Report.

*********

The Committee considered a Change Order for the Avenue“A” Improvements Contract with Smith Paving. A memo from Steven Schenden, Project Manager, noted additional work is being required for AFBCA Environmental Coordinator approval which is required as a special condition of the EDA Grant. The Environmental Coordinator has approved the project with the contingency that we evaluate and fix an erosion problem at the outfall of the storm sewer we are connecting to the Avenue“A” drainage.

The Engineer’s estimate for this work is $27,971 and approximately $65,000 remains in the budget for this part of the project. The County’s share of this EDA Grant is 7%.

It was moved by Comm. Tuominen, seconded by Comm. Arsenault, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve the Change Order for Avenue“A” Improvement Contract with Smith Contracting in the amount of $27,971.

*********

The Committee considered an IRP Loan to Mid-Peninsula Contracting, Inc. Comm. Arsenault, Chairperson of the IRP Loan Committee, noted the amount borrowed is $120,000 for the purchase of equipment. It will be a 5-year loan at a fixed rate of 7.5 percent. The collateral for the loan is first position on all corporate assets, plus personal guarantee of the owners Michael Hutchens and Steven Makela. The source of repayment of the loan will be cash flow generated from the sale of pavement repair and upgrade services.

Comm. Arsenault further noted the Loan Committee met and has determined Mid-Peninsula Contractors is a solid business with excellent credit and its proprietors are of good character.

It was moved by Comm. Arsenault, seconded by Comm. Nordeen, and unanimously carried by voice vote, that the Committee of the Whole recommend the County Board approve of an IRP Loan to Mid-Peninsula Contracting, Inc. in the amount of $120,000 as per terms outlined by the IRP Loan Committee.

*********

Chairperson Corkin opened the meeting for public comment.

Michael Hutchens, Mid-Peninsula Contractors, was present and introduced Steve and Susan Makela, Co-Owners. He thanked the County Board for approving the IRP Loan to Mid-Peninsula Contracting, Inc. and noted it was tremendous working with SIABC Staff, they were very helpful.

Karen Anderson, Assistant Administrator, Gwinn Schools, requested an update on the negotiations for the Sawyer Housing Proposals.

Chairperson Corkin reported the County is continuing negotiations with all three groups making proposals for the Sawyer Housing. A recommendation will be forthcoming to the County Board by the end of May.

There being no further public comment, Chairperson Corkin closed this portion of the meeting.
Chairperson Corkin reminded Commissioners if they are interested in attending the Upper Peninsula County Commissioner Meeting to be held in Bark River, Michigan, the weekend of May 10th, please contact Mary, Administrative Aide.

Comm. Nordeen reminded Commissioners also that on Friday, May 10th, it is the annual Marquette County Townships’ Association Banquet held at Northern Michigan University.

There being no further business, the meeting was adjourned at 7:20 p.m.

Respectfully Submitted,

[Signature]

David J. Roberts
Marquette County Clerk
MARRIQUETTE COUNTY BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE
Tuesday, April 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 APRIL 9, 2002.
3. PUBLIC COMMENT.
4. APPROVAL OF THE AGENDA.
5. Review of Claims and Accounts.
6. Memo from Marquette County Fire Chiefs Association regarding Concept of a Marquette County Emergency Services Training Facility.
7. KI Processing, LLC.
8. Sawyer Fitness Center Agreement.
9. SAIBC Budget Amendment.
10. SIABC Quarterly Reports.
11. [Handwritten notes]
12. IRP loan to mil-hires Contracting
13.
14.
15.
16. PUBLIC COMMENT.
17. COMMISSIONER COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS.
18. ADJOURNMENT.