
MINUTES OF THE COMMITTEE OF THE WHOLE MEETING – TUESDAY, JUNE 14, 2011 – 6:00 P.M. – ROOM 231, HENRY A. SKEWIS ANNEX, MARQUETTE, MI 49855

1. ROLL CALL.

- Call to Order by Chair at 6:00 p.m. – Room 231 Henry A. Skewis Annex, Marquette.
- Roll Call: Present: Commissioner Cihak, Commissioner, Quayle, Commissioner Heikkila, Commissioner Corkin, Commissioner Joseph, Commissioner Arsenault, Commissioner Pellow, Commissioner Nordeen, and Chairperson Bergdahl. Absent: None.

2. APPROVAL OF THE MINUTES OF THE COMMITTEE OF THE WHOLE MEETING HELD ON MAY 24, 2011.

Committee of the Whole Action: Commissioner Corkin moved to approve the minutes of the Committee of the Whole Meeting held on May 24, 2011. Second by Commissioner Nordeen. Motion adopted.

3. APPROVAL OF THE AGENDA.

Committee of the Whole Action: Commissioner Pellow moved to approve the Agenda with the following addition: Item 6h) Salary of Prosecuting Attorney tiebarred to Probate Judge Salary. Second by Commissioner Arsenault. Motion adopted.

4. PUBLIC COMMENT.

Chairperson Bergdahl opened the meeting for public comment.

- Anne Giroux, Marquette County Treasurer, announced that the Marquette County Land Bank Authority has been awarded Rural Land Bank of the Year.

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

5. REVIEW OF CLAIMS AND ACCOUNTS.

Committee of the Whole Action: Commissioner Arsenault moved to approve Claims and Accounts for the period June 3, 2011 through June 9, 2011 in the amount of \$246,802.14. Second by Commissioner Joseph. Motion adopted.

6. AGENDA ITEMS:

a. Register of Deeds Land Records Software and Office Activities Update.

Steve Powers, County Administrator, presented the following information. Pat Manley, Register of Deeds, was present to answer questions. She also provided Commissioners with an update on various activities in the Register of Deeds Office.

FISCAL IMPACT: The software maintenance services is budgeted in the Register of Deeds Automation Fund. By statute, each county is required to have a register of deeds automation fund for upgrading technology in register of deeds offices, with priority given to upgrading search capabilities. The automation fund is funded by fees paid by customers of the register of deeds offices.

BACKGROUND: The amendment continues the agreement between Pat Manley, Register of Deeds, and Fidlar. The amendment has been reviewed by Brent Nault, Information Systems Manager, and Cheryl Hill, Civil Counsel. Changes recommended by staff have been made by Fidlar.

Committee of the Whole Action: Commissioner Corkin moved that the Committee of the Whole recommend the County Board authorize Amendment to the Register of Deeds Land Records Software Agreement. Second by Commissioner Arsenault. Motion adopted.

b. County Option to Purchase Properties for Land Bank Authority (LBA).

Anne Giroux, County Treasurer, was present to explain the following and answer questions.

The Treasurer foreclosed on 44 properties on April 1, 2011. Of those properties, the LBA currently has an interest in acquiring 9. The LBA may request additional properties in the future, but at this point has identified 9 properties that it has an interest in. Additional information regarding the 9 properties is listed below.

Per MCL 211.78m (1) “. . .the county in which that property is located may purchase that property under this section by payment to the foreclosing governmental unit of the minimum bid.” The foreclosing governmental unit is the County Treasurer. The minimum bid is the delinquent taxes and penalties owing and is due the delinquent tax fund.

The LBA is requesting that the County Board of Commissioners exercise its option under MCL 211.78m to purchase the 9 tax foreclosed properties for a total minimum bid amount of \$30,443, and transfer these properties to the LBA. The suggested source of funding for this purchase is the County Treasurer’s Foreclosure Fund, which would be paid back when properties are sold by the LBA. The Foreclosure fund has a current fund balance of \$250,773. The proceeds from the sale of these properties in 2011 are estimated to be approximately \$50,000. It is expected that the Foreclosure fund would be paid back in full in the current fiscal year (by 12/31/11).

Further explanation of Land Bank projects

Duplex units at Sawyer - 4.5 duplex units were foreclosed on this year. The LBA successfully marketed and sold 8 similar units to owner occupants in 2010 and would like to do the same this year. The Sawyer community and Forsyth Township have been very supportive of the LBA's efforts at Sawyer. There are individuals on a waiting list who are interested in purchasing units at Sawyer from the LBA. Total minimum bid for 6 parcels: \$26,565.

Side lot transfer in Forsyth Township - An adjoining property owner contacted the Treasurer's office early in the foreclosure process expressing an interest in a lot in an area where the property owner owns several other lots. The parcel has an SEV of \$1,650. The adjoining property owner has agreed to pay the minimum bid amount. Total minimum bid for 1 parcel: \$727.

Sale to neighbor in Forsyth Township - This property is a lot along M-35 between Gwinn and Little Lake. It has a mobile home on it that is in very bad condition. The individual who lives in the mobile home next door is currently leasing and would like to purchase the foreclosed lot and move his mobile home on to it. He will remove the blighted mobile home and clean up the site. The parcel has an SEV of \$11,050 and the individual is willing to pay the minimum bid amount. The LBA feels the property is overvalued, particularly considering the blighted structures that need to be removed. Total minimum bid for 1 parcel: \$1,332.

Residential structure in City of Ishpeming - Several residential structures in the City were foreclosed on that are in bad condition. This structure was identified by the City Manager as the worst on the list. The City is willing to cost share in the demolition of this structure. The parcel has an SEV of \$4,450. Total minimum bid for 1 parcel: \$1,819.

Residential structure in City of Ishpeming - Several residential structures in the City were foreclosed on that are in bad condition. This structure was identified by the City Manager as one of the worst on the list. The City's staff contractor inspected the property and indicated that the foundation is severely damaged. The City would like to see the property demolished this summer and is willing to cost share in the demolition. The parcel has an SEV of \$18,850. Total minimum bid for 1 parcel: \$3,757.

Alternatives to Land Bank Acquisition

If the Land Bank does not acquire these properties, they will go through the normal tax sale/auction process. The Land Bank and the townships and cities in which these properties are located do not feel it is in the best interest of the community to allow these properties to be sold at public auction to the highest bidder.

Committee of the Whole Action: Commissioner Corkin moved that the Committee of the Whole recommend the County Board exercise the county option under MCL 211.78m to purchase the 10 tax foreclosed properties identified above for a total minimum bid amount of \$34,200, and transfer these properties to the LBA. Funding for the purchase would be from the County Treasurer's Foreclosure Fund, which would be paid back when properties are sold by the LBA. Second by Commissioner Arsenault. Motion adopted.

c. Audio Recording System Purchase.

Brent Nault, Information Systems Manager, was present to answer questions. Steve Powers, County Administrator, presented the following information.

BACKGROUND INFORMATION:

The current Sony recording devices and microphones located in the Board of Commissioners Chambers are obsolete and need replacing. The quality is poor and the equipment is difficult to repair. Since 2008, the County Board of Commissioners has set aside money to replace the equipment with digital recording software and quality sound equipment.

In analyzing the needs of the Board of Commissioners, three issues became apparent: 1) District Court and Probate Court utilize the Sony equipment and should be included in the project; 2) the Commission Chambers is a multi-function room, which requires both Court recording and public meeting recordings and; 3) the system must be video capable, as an add-on, in the future.

BIS Digital is one of the major suppliers of audio/video recording systems in the State of Michigan. They currently have over 150 installations in Michigan alone. Several counties use BIS Digital, including Grand Traverse, Allegan, Oakland, Jackson, and Ottawa counties. They have both Court Recording software, and Public Meeting software. BIS Digital has experience in interfacing their equipment with video cameras (future), video conferencing equipment (District Court Video Arraignment), and cable television broadcasts. Their software is state of the art and includes such features as multi-channel recording and playback for individual speaker identification, the ability to listen to the recording live to insure the recording is actually taking place, and integrated bookmarks to instantly playback a portion of the recording.

Quotations were solicited from two other vendors that the County has utilized in the past for audio/visual equipment. AT&T was the vendor used by the State of Michigan for the District Court Video Arraignment Systems. AT&T is used by the State as part of the MIDeal purchasing program, of which the County is a member. Jefferson Audio Visual Systems also submitted a quotation. JAVS is the current County vendor for our Circuit Court recording systems. The results of the quotations were distributed.

RECOMMENDATION:

Currently, the Technology Fund has projects approved for the Commission Chambers (\$30,000.00), District Court recording (\$25,000.00), and Ishpeming District Court Video Arraignment (\$15,000.00), for a total of \$70,000.00 in projects. Since project approval, the State of Michigan supplied the video arraignment equipment for our District Court at no cost to the County.

It is, therefore, recommended that the projects be combined and include Probate Court in the Audio Recording System purchase. Ishpeming District Court will not be included at this time. It is also recommended that the County purchase the Audio Recording System from BIS Digital located in Fort Lauderdale, Florida, in the amount not to exceed \$56,000.00 and an annual maintenance cost of \$2,100.00.

IMPACT ON COUNTY BUDGET:

The Audio Recording System will be charged to the Technology Fund in an amount not to exceed \$56,000.00. District Court, Probate Court, and the County Clerk will be charged a proportional cost over the next five to ten years. The County will also enter a maintenance agreement with BIS Digital in the amount of \$2,100.00 annually to begin in 2012.

Committee of the Whole Action: Commissioner Cihak moved that the Committee of the Whole recommend the County Board approve BIS Digital for the purchase of the Audio Recording System. Second by Commissioner Heikkila. Motion adopted.

d. Courthouse Complex Masonry Restoration.

Larry Gould, Facilities Manager, was present to explain the following and answer questions.

The first phase of the masonry restoration project is mainly the Annex and its connection to the Jail and Courthouse. Repairing and replacing mortar joints, some blocks, and bricks that have been destroyed by weather and materials used on sidewalks and drives to eliminate ice. Also it will cap several retaining structures from future damage. The second phase is mainly the Courthouse and will be done in the future when funds are available.

Bids were advertised in the Mining Journal, website, builders exchanges, and direct mailed to local contractor who perform that type of work. We only had two contractors who attended the walk through and only received one sealed bid from Northern Restoration in the amount of \$33,062. The bid is higher than estimated but sufficient funds are available for the project. This company has done Courthouse dome work for us and we were very pleased with their performance. I agree with the engineers letter of recommendation that we proceed and award the bid to Northern Restoration & Waterproof Systems, Inc. for \$33,062.

Committee of the Whole Action: Commissioner Cihak moved that the Committee of the Whole recommend the County Board proceed with the Courthouse Complex Masonry Restoration and award the bid to Northern Restoration & Waterproof Systems, Inc. in the amount of \$33,062. Second by Commissioner Nordeen. Motion adopted.

e. Letter of Support – U.P. Steel Grant Application.

Rick Kauppila, Principle Investigator, President, U.P. Fabricating, UP Operations, U.P. Steel, in an e-mail explained the project as follows:

UP Steel, together with its partners including Michigan Technological University, Energy, Telkite Technology Park, Gogebic Taconite, Upper Michigan Green Aviation Coalition, U.P. Fabricating, Schneider's Iron and Metal, and Explorer Solutions, plans to conduct research that aims to catalytically convert the syngas derived from biomass in its high temperature microwave furnace to gasoline. The syngas was uniquely generated from a chemical looping reaction in the microwave furnace.

Three biomass feedstocks will be investigated in this study, including wood, corn stover, and solid wastes recycled from municipal and industrial solid wastes. These wastes contain papers, food residues, yard wastes, plastics, and other carbonaceous materials. UP Steel will demonstrate that its high temperature microwave technology can convert all of these materials to a gas product, and then a catalyst will be introduced to further convert the gas to gasoline.

Since there is no combustion involved in this process, UP Steel process is environmentally clean. Other advantages of the technology include less capital cost, higher productivity, higher energy efficiency, and lower production cost.

UP Steel believes that its process can produce gasoline at a cost much cheaper than the current gasoline price. The company has obtained international patents of the technology and will commercialize it all over the world after it successfully demonstrates the technology.

Committee of the Whole Action: Commissioner Corkin moved that the Committee of the Whole recommend the County Board endorse the U.P. Steel Project for “Catalytic Conversion of High Temperature Chemically Looped Syngas from Biomass to Liquid Fuels and send a Letter of Support to the DOE. Second by Commissioner Arsenault. Motion adopted.

f. Audit Proposal.

Susan Vercoe, Finance Manager, was present to explain the following and answer questions.

As part of our USDA Rural Development Wastewater Project Loan/Grant Application, USDA requires a signed audit engagement letter for the county’s 2012-2013 fiscal year. Scott Erbsch has been informed by USDA that the engagement letter must be submitted by July 1. Anderson Tackman is currently completing the audit for 2010 which is the last year of their current engagement.

I requested a proposal from Anderson Tackman to extend their audit engagement. They have proposed a 3 year engagement for 2011, 2012, and 2013 with possible extensions for 2014, 2015, and 2016.

2011	\$28,000	2014	\$31,000
2012	\$29,000	2015	\$32,000
2013	\$30,000	2016	\$33,000

In my opinion, the fee increases proposed are reasonable. The audit fee for 2011 would be an increase of \$1,700 over the current year fee. In 2011, additional audit procedures will be required as a result of the Governmental Accounting Standards Board (GASB) Statement Number 54 that will significantly change the way fund balances are reported.

Anderson Tackman has provided the county with quality service. They are a reputable firm and we have developed a good working relationship. I would recommend accepting the Anderson Tackman proposal for audit services.

Committee of the Whole Action: After discussion, Commissioner Pellow moved that the Committee of the Whole recommend the County Board accept the Anderson Tackman Proposal for Audit Services for a 3 year engagement for 2011, 2012, and 2013, with possible extensions for 2014, 2015, and 2016. Second by Commissioner Arsenault. A roll call vote was recorded. Ayes: Commissioner Cihak, Commissioner Heikkila, Commissioner Corkin, Commissioner Joseph, Commissioner Arsenault, Commissioner Pellow and Chairperson Bergdahl. Nays: Commissioner Quayle and Commissioner Nordeen. Motion adopted.

g. Independent Civil Counsel.

Commissioner Pellow suggested that the Board hire outside legal counsel, separate from a county employee, to represent the County Board.

Committee of the Whole Action: After discussion and debate, Commissioner Cihak moved that the Committee of the Whole recommend the County Board direct Staff to research the alternatives for outside legal counsel, separate from a county employee, to represent the County Board to the July 12, 2011 Committee of the Whole Budget Work Session. Second by Commissioner Arsenault. A roll call vote was recorded. Ayes: Commissioner Cihak, Commissioner Corkin, Commissioner Joseph, Commissioner Arsenault and Chairperson Bergdahl. Nays: Commissioner Quayle, Commissioner Heikkila, Commissioner Pellow and Commissioner Nordeen. Motion adopted.

h. Prosecuting Attorney Salary tiebarred to Probate Judge Salary.

Commissioner Heikkila requested discussion regarding the issue of the salary of the Prosecuting Attorney being tiebarred to the salary of the Probate Judge.

Committee of the Whole Action: After discussion and debate, Commissioner Heikkila move that the Committee of the Whole recommend the County Board rescind a past motion which tiebars the salary of the Prosecuting Attorney to the salary of the Probate Judge. Second by Commissioner Pellow. Motion adopted.

8. PUBLIC COMMENT.

Chairperson Bergdahl opened the meeting for public comment. None was forthcoming.

9. COMMISSIONERS COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS.

- Commissioner Quayle questioned the status of a grievance hearing. He also spoke regarding the Ishpeming Service Center and the Friend of the Court Office move.

Committee of the Whole Action: After discussion, Commissioner Quayle made a motion to follow the 2002 Space Needs Study (original estimate \$140,000) and move the Friend of the Court Office to the First Floor of the Annex and allow that space to be used for District Court and Accounting. Second by Commissioner Nordeen. A roll call vote was recorded. Nays: Commissioner Cihak, Commissioner Heikkila, Commissioner Corkin, Commissioner Joseph, Commissioner Arsenault, Commissioner Pellow and Chairperson Bergdahl. Ayes: Commissioner Nordeen and Commissioner Quayle. Motion fails.

Committee of the Whole Action: After further discussion, Commissioner Pellow moved to direct Staff to provide a current cost estimate moving the Friend of the Court Office and that the cost estimate be forwarded to the July 12, 2011 Committee of the Whole Budget Work Session. Second by Commissioner Cihak. Motion adopted.

- Commissioner Quayle spoke regarding information he had requested from the Sheriff's Department, and a concern from the Sheriff's Department regarding proper protocol.
- Commissioner Heikkila announced that the FAA inspector complimented Sawyer Airport. He also announced that the Marquette County Jail once again passed inspection.
- Commissioner Nordeen questioned whether the requested budget information from U.P. Counties will be distributed prior to the Committee of the Whole Budget Work Session; he spoke regarding the lack of Sheriff's Road Patrol in the West-end; and raised concern regarding Circuit Court Jury Room chairs.
- Commissioner Cihak responded to comments and concerns by Commissioner Quayle regarding protocol.
- Commissioner Corkin commended the Chairperson and Vice-Chairperson for taking leadership regarding protocol.
- Bruce Ward, Marquette County Employee, questioned whether it is appropriate for Commissioners to publicly divulge names of employees involved in matters of grievances and arbitration. Discussion followed.

10. ADJOURNMENT.

There being no further business to come before the Committee of the Whole, the meeting adjourned at approximately 7:35 p.m.

Connie M. Branam
Marquette County Clerk

Charles Bergdahl, Chairperson
Marquette County Board of Commissioners

Minutes Proposed for Approval on June 14, 2011.