

The Marquette County Board of Commissioners held their Regular Meeting on Wednesday, August 18, 2004, at 7:00 P.M., in Room 231 of the Henry A. Skewis Annex, 234 West Baraga Avenue, Marquette, Michigan.

Chairperson Corkin called the meeting to order. Present: Comm. Arsenault, Comm. Bergdahl, Comm. Coyne, Comm. Joseph, Comm. Nordeen, Comm. Tuominen, Comm. Wallace, and Comm. Corkin. Absent and excused: Comm. Comm. Cihak.

A Salute to the Flag was given followed by the Pledge of Allegiance.

It was moved by Comm. Arsenault, seconded by Comm. Tuominen, and unanimously carried by voice vote that the minutes of the County Board of Commissioners Regular Meeting held on August 3, 2004 be approved.

PROCLAMATIONS, PRESENTATIONS AND AWARDS

Chairperson Corkin read the following Proclamation observing Union Label Week 2004:

*MARQUETTE COUNTY BOARD OF COMMISSIONERS
PROCLAMATION OBSERVING
UNION LABEL WEEK, 2004*

WHEREAS, beginning Labor Day, Monday, September 6, 2004 and running through Saturday, September 11, 2004, Marquette County will observe UNION LABEL WEEK, 2004, and

WHEREAS, Marquette County enjoys strong economic health, thanks to the presence of stable jobs which pay decent wages that are the hallmark of union employers and unionized workers; and

WHEREAS, when our citizens buy union-made goods and services they are helping to preserve American jobs and strengthening our community; and

WHEREAS, the products and services that carry a Union Label, Shop Card, Store Card or Service Button are guaranteed to be the highest quality, American-made products and services;

THEREFORE BE IT RESOLVED, that during the week of September 6th through September 11th, we will recognize and honor these distinguished emblems which signify commitment to quality and dignity in the workplaces of our community.

*Adopted this 18th day of August, 2004
Gerald O. Corkin, Chairperson
Marquette County Board of Commissioners*

Chairperson Corkin opened the meeting for public comment.

Dan Smith, President, El-Com Services, Inc., Marquette, addressed the County Board regarding comments made of Joe Van Oosterhout, Central Dispatch Manager, at the August 3, 2004 County Board meeting. He stated the actions of August 3rd should require written apologies, read before the County Board, by those who made unfounded accusations.

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

It was moved by Comm. Nordeen, seconded by Comm. Wallace, and unanimously carried by voice vote that Claims and Accounts for the period August 6, 2004 through August 12, 2004 in the amount of \$257,792.57 be approved minus Check No. 53976 in the amount of \$33.95 made payable to Bergdahl's Inc., and Check No. 53983 in the amount of \$74.94 made payable to Josephs.

It was moved by Comm. Tuominen, seconded by Comm. Arsenault, and carried by voice vote 6 Ayes to 2 Abstentions (Comm. Bergdahl and Comm. Joseph) that the County Board approve Check No. 53976 in the amount of \$35.95 made payable to Bergdahls, Inc. and Check No. 53983 in the amount of \$74.94 made payable to Josephs. Affidavit of Disclosures follow:

**AFFIDAVIT OF DISCLOSURE
PURSUANT TO MCL 15.323(2)(a)**

COUNTY OF MARQUETTE)
)SS
STATE OF MICHIGAN)

Charles Bergdahl, a Marquette County Commissioner, being duly sworn, hereby submits this Affidavit pursuant to the provisions of MCL 15.323(2)(a):

1. The Final Disbursement List submitted for approval at the August 18, 2004, meeting of the County Board of Commissioners includes Check No. 053976, dated August 13, 2004, payable to Bergdahl's, Inc. in the amount of \$35.95, in payment for Airport Supplies;
2. I hereby disclose that I have a personal financial interest in Bergdahl's, Inc., which is as follows:

90% Shareholder
3. I hereby certify that any direct benefit I personally will receive from this payment to Bergdahl's Inc. will be less than \$250.00, and will be less than 5% of the total payment of \$35.95.

Dated this 18th day of August, 2004.

/S/

Charles Bergdahl

AFFIDAVIT OF DISCLOSURE
PURSUANT TO MCL 15.323(2)(a)

COUNTY OF MARQUETTE)
)SS
STATE OF MICHIGAN)

Nick Joseph, a Marquette County Commissioner, being duly sworn, hereby submits this Affidavit pursuant to the provisions of MCL 15.323(2)(a):

4. The Final Disbursement List submitted for approval at this August 18, 2004, meeting of the County Board of Commissioners includes Check No. 053983, dated August 13, 2004, payable to Joseph's in the amount of \$74.94, in payment for a food order for a veteran;
5. I hereby disclose that I have a personal financial interest in Joseph's Foodland Inc., d/b/a Joseph's Super Valu, which is as follows:

Sole Shareholder
6. I hereby certify that any direct benefit I personally will receive from this payment to Joseph's will be less than \$250.00, and will be less than 5% of the total payment of \$74.94.

Dated this 18th day of August, 2004.

/S/

Nick Joseph

It was moved by Comm. Tuominen, seconded by Comm. Nordeen, and unanimously carried by voice vote that the agenda be approved with the following additions: Item 10e) Committee of the Whole Recommendation to accept the DeFant Building Purchase Agreement and Approve Resolution Authorizing Redemption of Bonds; and Late Addition 11a) Central Dispatch Tower Bids.

PUBLIC HEARINGS

The Marquette County Board of Commissioners held Public Hearings for the purpose of closeout of Marquette County's Michigan Community Development Block Grants 1) Partners for Livable Communities Planning Project, and 2) Forest Timber Planning Project.

Chairperson Corkin informed the public on the rules and procedures set forth regarding public hearings.

7a) **Partners for Livable Communities Planning Project:** - Stu Bradley, President, Lake Superior Community Partnership, was present and explained that Marquette County received funding from the Michigan Economic Development Corporation to conduct a countywide planning project to be used to strengthen the image, reinforce the attributes of quality of life and market the county to business prospects and entrepreneurs. The project was administered by the Lake Superior Community Partnership, a non-profit private-public partnership with over 900 members. Mr. Bradley stated that the project has been completed and thanked the County Board for their contribution. Funding for the project was made up of a \$30,000 Community Development Block Grant, \$25,000 in local funds, and \$51,000 in private funds. Mr. Bradley distributed a copy of the U.S.A Today article and Marquette County's Award Winning Community Assets and Best Practices Information Sheet.

It was moved by Comm. Arsenault, seconded by Comm. Wallace, and unanimously carried by voice vote that the County Board close the Public Hearing on the Partners for Livable Communities Planning Project.

7b) **Forest Timber Planning Project:** Pete Cambier, Northern Initiatives, was present. Mr. Cambier explained that Marquette County received funding from the Michigan Economic Development Corporation to support several forest products industry research and commercialization projects to be completed by Northern Initiatives and its partners. The projects included research on the use of red maple for laminated veneer lumber, the use of mill residue in commercial composting operations, and the use of the New Markets Tax Credit in biomass cogeneration projects and the implementation of lean manufacturing techniques in the secondary forest products industry.

It was moved by Comm. Nordeen, seconded by Comm. Tuominen, and unanimously carried by voice vote that the County Board close the Public Hearing on the Forest Timber Planning Project.

INFORMATIONAL ITEMS

It was moved by Comm. Wallace, seconded by Comm. Arsenault, and unanimously carried by voice vote that the following informational item be accepted and placed on file:

- a. Court Equity Fund.

ACTION ITEMS

It was moved by Comm. Coyne, seconded by Comm. Tuominen, and unanimously carried by voice vote that the County Board approve Action Items 10a, 10b, 10c, and 10d as follows:

10a) Committee of the Whole Recommendation to approve the agreement with Government Payment Services (GPS) Inc. for credit card payments for Community Corrections clients.

10b) Committee of the Whole Recommendation to amend the Enhanced Access Policy to include the Enhanced Access Policy Fee Schedule.

10c) Committee of the Whole Recommendation to waive the Enhanced Access Fee for Central Lake Superior Watershed Partnership (CLSWP).

10d) Committee of the Whole Recommendation to award the Courthouse Repainting and Repairs Contract to American Beauty Painting in the amount of \$29,480.

ACTION ITEMS CONTINUED

10e) The County Board considered a Committee of the Whole Recommendation to accept the DeFant Building Purchase Agreement and approve a Resolution Authorizing Redemption of Bonds.

It was moved by Comm. Arsenault, seconded by Comm. Tuominen, and unanimously carried by voice vote that the County Board accept the DeFant Building Purchase Agreement and approve the following Resolution Authorizing Redemption of Bonds:

COUNTY OF MARQUETTE
(Marquette County, Michigan)
RESOLUTION AUTHORIZING REDEMPTION OF BONDS

A regular meeting of the Board of Commissioner of the County of Marquette (the "County") was held in the Marquette County Courthouse, 234 W. Baraga Ave., Marquette, Michigan 49855, on August 18, 2004, at 7:00 p.m.

PRESENT: Comm. Arsenault, Comm. Bergdhal, Comm. Coyne, Comm. Joseph, Comm. Nordeen,
Comm. Tuominen, Comm. Wallace, and Comm. Corkin.

ABSENT: **Comm. Ciahk**

The following preamble and resolution were offered by Board member Arsenault and supported by Board member Tuominen:

WHEREAS, the Marquette County Building Authority (the "Authority") has issued its Marquette County Building Authority Refunding Bonds, Series 1997, dated January 1, 1998 (the "Bonds"), which have an outstanding principal balance of \$1,595,000, and which Bonds provide that no premium shall be paid on the Bonds or portions of the Bonds called for redemption on or after January 1, 2005; and

WHEREAS, the proceeds of the Bonds were utilized by the Authority to acquire and construct the Defant Building (the "Property") which was leased by the Authority to the County and, in turn, a portion of the Property was subleased by the County to Pathways Authority ("Pathways") for use in connection with the provision of mental health services to the community; and

WHEREAS, the County and Pathways desire to enter into a certain Agreement to Purchase Real Estate for the sale of the Property to Pathways for the amount of approximately \$1,982,580, which is equal to the amount of \$500,000, representing the County's equity in the building, plus the amount that is necessary to redeem the Bonds on the next available call date, less a portion of rent paid by Pathways to the County which is allocable to the January 1, 2005 debt service payment; and

WHEREAS, the County has determined that selling the Property to Pathways and using a portion of the proceeds to redeem all of the outstanding Bonds at the next available call date is in the best interests of the County and the Authority.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. **The Agreement to Purchase (the "Agreement") between the Authority, the County and Pathways in substantially the form presented to the Commission, is hereby approved, and the Chair of the Board of Commissioners and County Clerk are authorized and directed to execute the Contract with such changes as they deem necessary in the name and on behalf of the County, and to take such action as is necessary to implement the Agreement and effectuate a closing on the purchase and sale contemplated therein (the "Closing").**
2. **Upon receipt of the proceeds of the Closing:**
 - (a) **The County shall transmit the proceeds to the Authority and the Authority shall redeem, on January 1, 2005, or on the first available date after the Closing for which a call of the Bonds may lawfully be made, all of the Bonds which remain outstanding; and**
 - (b) **The Lease Contract between the Authority and the County pertaining to the lease of the Property from the Authority to the County, shall terminate.**
 - (c) **The Sublease Agreement between the County and Pathways shall terminate.**
3. **The Authority is authorized and directed to give notice of redemption to the registered owner(s) of the Bonds and to enter in to such agreements, including an escrow agreement and to take such actions as are required to defease the bonds and effectuate the redemption of the bonds on the first available call date.**
4. **The Chair of the Board of Commissioners and the County Clerk and Treasurer, or any one of them, are authorized and directed to execute all documents and certificates and to take all actions necessary to complete the redemption and defeasance of the Bonds.**
5. **All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.**

AYES: **Comm. Arsenault, Comm. Bergdhal, Comm. Coyne, Comm. Joseph, Comm. Nordeen,
Comm. Tuominen, Comm. Wallace, and Comm. Corkin.**

NAYS: **None**

ABSTAIN: **None**

RESOLUTION DECLARED ADOPTED

**Gerald O. Corkin, Chairperson
Marquette County Board of commissioners**

10f) The County Board considered the CUPPAD Comprehensive Economic Development Strategy Report. Each year the CUPPAD Regional Commission prepares a Comprehensive Economic Development Strategy (CEDS) document to maintain its designation as an "Economic Development District" with the U.S. Economic Development Administration. The CEDS document identifies potential economic development projects within the six county area. These projects are solicited from local governmental units on a bi-annual basis. The list can be amended by the Commission as new projects become known.

It was moved by Comm. Tuominen, seconded by Comm. Nordeen, and unanimously carried by voice vote that the County Board concur with the preparation of the 2004 Comprehensive Economic Development Strategy Document and adopt the following resolution indicating the County Board's concurrence:

**RESOLUTION OF CONCURRENCE WITH THE
2004 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY
(CEDS) DOCUMENT**

WHEREAS, the Central Upper Peninsula Planning and Development Regional Commission has prepared a Comprehensive Economic Development Strategy document for the six-county planning area; and

WHEREAS, the 2004 CEDS provides adequate coverage and represents the needs of Marquette County.

NOW, THEREFORE BE IT RESOLVED, the Marquette County Board of Commissioners concurs with the CEDS document as prepared by the CUPPAD Regional Commission.

*Connie M. Branam
Marquette County Clerk*

10g) The County Board discussed Staff reports on the Fitness Center, Telkite, and the Honor Camp as follows:

FITNESS CENTER - Steve Powers, County Administrator, explained a request from the Sawyer Operations Authority on behalf of West Branch Township for the Fitness Center Building, including a IRP Loan of \$235,000 and \$75,000 from MEDC Funds currently held by the County, notification that the YMCA of Marquette County will no longer be a tenant of the Sawyer Fitness Center, a request from Telkite for an early transfer of the building, and correspondence from the Sawyer Operations Authority regarding plans for the facility. He stated that West Branch Township and the Sawyer Operations Authority have been working hard to develop this plan that will keep the Fitness Center open as a Community Recreation Fitness Center. Mr. Powers stated there are several items necessary for the Board to act upon if the plan that West Branch Township, Sawyer Operations Authority, and Telkite is acceptable.

Anne Giroux, Business Manager, Sawyer International Airport and Business Center, was present and explained the IRP Loan Committee has met and recommends the County Board approve a \$235,000 IRP Loan to West Branch Township.

Commissioners questioned approving the loan before transferring the Building.

Harley Andrews, Chief Civil Counsel, explained that the County has a contractual relationship with Telkite that includes the Fitness Center Building. The contract has not been terminated, and unless Telkite were to release the building from the agreement so the County could convey it directly to the Township, the County is still obligated to convey it to Telkite. Even though Telkite has not met their obligation by paying the \$1 million dollar payment as last specified by the Board, the Board has not terminated the agreement.

Comm. Bergdahl believes that if Telkite cannot pay the \$1 million dollar payment, the contract be terminated. He feels the Fitness Center Building be taken out of the Telkite Agreement and the County convey it directly to West Branch Township.

Comm. Nordeen stated that the County cannot wait. If the County waits to transfer the building until the Telkite agreement is possibly terminated, could cause problems. He believes the County Board should approve the Staff recommendation.

It was moved by Comm. Nordeen, seconded by Comm. Arsenault, and unanimously carried by voice vote that the County Board approve Staff recommendation and approve the IRP Loan of \$235,000 to West Branch Township. Terms as follows: 20-year amortization with a 15-year balloon, 5% fixed interest rate, and monthly payments of principal and interest. The Loan is contingent upon backing by full faith and credit of West Branch Township.

It was moved by Comm. Arsenault, seconded by Comm. Tuominen, and unanimously carried by voice vote that the County Board approve a \$75,000 grant to West Branch Township from MEDC sale proceeds being held by the County, and further that utilities be capped at \$50,000.

The County Board interrupted their discussion on the transfer of the Fitness Center Building until after the Telkite Update.

TELKITE REPORT- Vikki Kulju, Executive Director, Sawyer Operations Telkite, Inc., was present to update Commissioner regarding the status of Telkite and B-3 Computers. Fred Schaffler, B-3 Computers, was also present to answer any questions. Ms. Kulju explained that Telkite has developed a backup plan which they will pursue simultaneously with B-3's financing. She stated that she understands and shares the County's frustration, but Telkite and B-3 Computers appreciate the County's continued support and assistance. She assures Commissioners that Telkite Technology Park will secure financing.

The County Board and Staff continued their discussion regarding the Fitness Center and the possibility of terminating the Telkite contract before transferring the Building.

Comm. Corkin suggested the County Board pursue other developers. The County has waited 75 days past the due date which shows good faith. The County is willing to wait further if Telkite can secure financing, but feels that if other developers are interested the County should consider their proposals.

Commissioners questioned whether the Telkite Agreement would need to be terminated before soliciting other prospects.

Harley Andrews, Chief Civil Counsel, explained that the Agreement does not need to be terminated to solicit other proposals. He suggested, that if the Board decides to terminate the contract, they follow an outlined procedure.

It was moved by Comm. Nordeen, seconded by Comm. Coyne and unanimously carried by voice vote that the County Board transfer the Fitness Center Building to Telkite pursuant to an agreement by which Telkite would thereafter immediately transfer the building to West Branch Township for no cost, as recommended by Staff.

It was moved by Comm. Arsenault, seconded by Comm. Tuominen, and unanimously carried by voice vote that the County Board approve a \$75,000 grant to West Branch Township from MEDC sale proceeds being held by the County, and further that utilities be capped at \$50,000.

It was moved by Comm. Joseph, seconded by Comm. Tuominen, and unanimously carried by voice vote that the County Board direct Staff to outline the steps necessary regarding the process for terminating the Agreement between the County and Telkite, Inc., listing the positive and negative concerns for the next Committee of the Whole Meeting.

Chairperson Corkin announced that any interested developers submit a proposal to the County Board of Commissioners.

HONOR CAMP PROPERTY - The County has received a request from Lynn Swadley, President, Harbor View Development Corporation, inquiring whether Marquette County would be interested in conveying a portion of the Honor Camp Property. Public access could be provided to the Honor Camp Property. Sands Township's emergency vehicle access through the property would be improved. Taxable value would be created through the housing development. The Honor Camp Property has a deed restriction that requires payment of market value if the property is not used for public purpose. The State of Michigan determines public purpose. Earle Yelle, Sands Township Supervisor, was present and stated that Sands Township is in full support of the proposal.

It was moved by Comm. Bergdahl, seconded by Comm. Wallace, and unanimously carried by voice vote that the proposal from Harbor View Development Corp. be referred to the Planning Staff for review and recommendation to the County Board.

LATE ADDITIONS

11a) The County Board considered rejection of Central Dispatch Tower Bids. Steve Powers, County Administrator, explained that previously the Committee of the Whole recommended a bid award, but it was pulled from the agenda. He further explained that he believes the intent of the County purchasing policy was met through the process used to solicit bids for the tower work. The specific requirements of the policy however, were not strictly followed. The opportunity to bid was not provided to all local potential vendors. The policy states that invitations to bid are sent to all qualified vendors. The policy refers to maintaining a qualified bidders list. The County does not maintain a qualified bidders list. The state's definition of pre-qualified tower contractors was used for the invitation to bid.

Administrator Powers recommends that rather than delaying a decision regarding the submitted bids until the next County Board Meeting at which time a decision may be to re-bid, the Board reject the bids and redirect the project be re-bid. This will allow Staff a head start on coming back to the County Board with a more sound process and recommendation which will still allow the County to achieve the goal of converting our Central Dispatch Equipment over to the State towers.

Comm. Coyne stated that the sense of the County Board not being happy with the way the invitation to bid was issued was not a reflection upon our County employee at all, but rather it was the fact that everyone should have a chance to bid. The County should not be in a position of having the bidders restricted by any means. She feels the County Board should be confident that all qualified bidders or all potential bidders have an equal chance to submit a bid on all projects.

It was moved by Comm. Tuominen, seconded by Comm. Nordeen, and unanimously carried by voice vote that the County Board reject all bids and direct the Central Dispatch Tower Project to be re-bid.

Chairperson Corkin opened the meeting for public comment.

James Gallant, Marquette, MI, addressed the County Board regarding the Marquette County Friend of the Court Citizen Advisory Committee, appointments to the Citizen Advisory Committee, and the County of Marquette's website regarding the Committee.

COMMISSIONER COMMENTS, STAFF COMMENTS, AND ANNOUNCEMENTS

Chairperson Corkin and Comm. Wallace updated Commissioners regarding the MACC Conference. The State budget was the big issue. MACC supported early tax collection.

Chairperson Corkin announced he was re-elected to the MACC Board of Directors.

Comm. Joseph discussed Secretary of State Terry Land's visit and the closure of the Secretary of State Branch Office in Ishpeming.

There being no further business to come before the County Board the meeting adjourned at 9:00 p.m.

Respectfully Submitted,

Connie M. Branam
Marquette County Clerk