

The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, February 24, 2004, 6:00 P.M., in the 25th Circuit Courtroom, Second Floor, Courthouse Building, 234 W. Baraga Avenue, Marquette, Michigan.

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

It was moved by Comm. Nordeen, seconded by Comm. Coyne, and unanimously carried by voice vote that the minutes of the Committee of the Whole Meeting held on February 11, 2004 be approved with the following correction: One Page 5, first paragraph, sixth sentence, *self-supporting airport*.

It was moved by Comm. Tuominen, seconded by Comm. Arsenault, and unanimously carried by voice vote that the agenda be approved with the addition of Item 13) Letter on Governor Jennifer Granholm's Budget and Item 14) Community Emergency Response Team (CERT) Grant.

Chairperson Corkin opened the meeting for public comment.

Carol Lamirand, Marquette, read a letter to Commissioners regarding Comm. Cihak. She felt he was unethical in his role as a Private Investigator.

William LaBelle, distributed materials to Commissioners regarding the Road Commission Employees' Health Care.

Barry Harris, Carol Humpala, and Dale Pelkola, addressed the Committee regarding the Marquette County Road Commission and the Task Force Report.

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

It was moved by Comm. Arsenault, seconded by Comm. Cihak, and unanimously carried by voice vote that Claims and Accounts for the period February 13, 2004 through February 19, 2004 in the amount of \$492,353.75 and biweekly payroll for the period ending February 14, 2004, in the amount of \$577,816.11 be approved.

The Committee considered the Marquette County Road Commission Task Force Report. Steve Powers, County Administrator, explained the Task Force was appointed by the Board of Commissioners to study the management and operational effectiveness of the Marquette County Road Commission. Recommendations are from observations and information gathered over five months. The Task Force did not suggest how to accomplish each recommendation; implement is the responsibility of the Road Commission. The final report is a consensus report, prepared after hours of discussion and debate.

While the Task Force was appointed by and received its charge from the Board of Commissioners, the findings and opinions are most relevant to the statutory and policy responsibilities of the Marquette County Road Commission. As the Board of Commissioners consider the report, Mr. Powers noted that by statute:

- Road Commissioners are virtually independent agencies in County government.
- Road Commissions are administered agencies with the Road Commission Board setting policy, representing constituent groups, establishing priorities, and reviewing and approving budgets. County Boards of Commissioners do not set policy for Road Commissions.
- Jurisdiction over local roads and unincorporated areas rest with Road Commissions.
- The Marquette County Board of Road Commissioners is appointed by the Marquette County Board of Commissioners. There are three Road Commissioners. Appointments are for a six year term.

Anne Giroux, presented the Committee with a power point presentation summarizing the Task Force's work and recommendations. Following the presentation Commissioners and Task Force Members engaged in a lengthy discussion regarding the report.

It was moved by Comm. Coyne, seconded by Comm. Tuominen, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board request from the Marquette County Road Commission, the AFSCME Local 2724 Union and the Townships, within 60 days, a response to the Report, including an Implementation Plan.

The Committee considered selection of Prime Professional for Perkins Park Phase III. In 1994 a Master Plan outlining the future development of Perkins Park was prepared by U.P. Engineers & Architects. Phases I and II were accomplished through the assistance of grant funding. On December 18, 2003 Marquette County was awarded a Land and Water Conservation Fund Grant of \$263,250. for Phase III. According to the Grant Agreement signed by the County Board, the County will provide a 50% match from the Forest and Recreation Fund. Phase III development for Perkins Park includes enhancements with landscaping and design that will separate day use from camping through road reconfiguration, the addition of larger pull through sites and rustic sites, shoreline stabilization, the relocation of the picnic area with landscaping, and a boardwalk with observation decks. On February 9, 2004 four bids were received for the architectural/engineering services for Phase III of the Perkins Park Development Plan. A staff selection team comprised of Park Manager Kim Bourgois, Manager of Planning Jim Kippola, and Planner Dotty Lewis, reviewed the proposals and are recommending a contract be offered to U.P. Engineering & Architects for \$16,850. U.P. Engineering is \$993 higher than the lowest bidder of North Country Engineering, Inc. Generally, it is the policy of the County of Marquette to hire the lowest responsive and responsible bidder, however, the County reserves the right to reject any or all bids in whole or part or negotiate with any bidder based on circumstances most advantageous to the County. Contract award to U.P. Engineers & Architects is recommended because of the firm's emphasis of aesthetics, experience with similar projects funded by the Michigan Department of Natural Resources Land and Water Conservation Fund, and U.P. Engineer's familiarity with the Park through its preparation of the Perkins Park Master Plan.

The recommendation is for the County Board to waive policy and select other than the low bidder for professional services. For professional services such as engineering and design, cost should be one factor considered, not the only factor. North Country's proposal was responsive the Company could complete the requested work.

Comm. Joseph disagrees. He feels the County should follow policy. If not, why have one.

It was moved by Comm. Cihak, seconded by Comm. Coyne, that the Committee of the Whole recommend the County Board select U.P. Engineers & Architects to complete engineering and design for Phase III projects at Perkins Park. By voice vote the motion was defeated 5 Nays (Comm. Arsenault, Comm. Bergdahl, Comm. Joseph, Comm. Nordeen, and Comm. Tuominen) to 3 Ayes (Comm. Cihak, Comm. Coyne, and Comm. Corkin).

It was moved by Comm. Bergdahl, seconded by Comm. Joseph and carried by voice vote 6 Ayes (Comm. Arsenault, Comm. Bergdahl, Comm. Joseph, Comm. Nordeen, Comm. Tuominen, and Comm. Corkin) to 2 Nays (Comm. Cihak and Comm. Coyne) that the Committee of the Whole recommend the County Board award the Engineering and Design Services Bid for Perkins Park Phase III to the low bidder North Country in the amount of \$15,857.

The Committee considered a resolution supporting Oakland County Commissioner Eric Coleman for the office of Second Vice President of the National Association of Counties (NACo). Oakland County Commissioner Coleman has announced his candidacy for the Second Vice President position with the National Association of Counties and, if elected by the NACo membership, will serve as one of five members of the Executive Committee of the Board of Directors. NACo is a national organization that has given county officials from across the country an active roll and strong voice in the nations capital since 1935, with membership of over 50,000 elected and appointed officials, representing 2,054 counties and 80% of the nation's population. The leadership of NACo serves as a liaison between the nation's counties and other levels of government by promoting the policies and platforms adopted by the membership and, through successful lobbying efforts, the collective county voice of NACo has made an enormous impact on legislation affecting our constituents and our communities.

Eric Coleman has a long established track record as a person who recognizes the importance of building partnerships and is known as an elected official who has actively engaged in developing regional initiatives and embraced diversity and benefit multiple communities. Commissioner Coleman, respected for his proactive approach to issues and government and has worked with the National Organization of Black County Officials (NOBCO) received the prestigious 2003 NOBCO Commissioner of the Year Award and has also been recognized as an outstanding senior executive by Harvard University's John F. Kennedy School of Government.

It was moved by Comm. Cihak, seconded by Comm. Tuominen, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board acknowledge the outstanding credentials of

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Oakland County Commissioner Eric Coleman and declare its support of his nomination for the office of Second Vice President of the National Association of Counties.

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The Committee of the Whole met on Tuesday, February 24, 2004, they considered Payment in Lieu of Taxes (PILT) request. The Sawyer Operations Authority, on behalf of the West Branch and Forsyth Townships, is requesting payment from the County of \$30,488. No PILT payments are included in the 2004 budget.

Steve Powers, County Administrator, explained that County Commissioners have received this request for payment for the tax loss experienced by Forsyth and West Branch Townships from County ownership of the electric distribution system at KI Sawyer. He recommends sending a response to the Sawyer Operations Authority. The response to the Sawyer Operations Authority is based on several considerations:

- 1) County owned property is exempt from taxation under the General Property Tax Act, including property used to provide electric service;
- 2) The Townships have not lost tax revenue. The United States Air Force was the previous owner of the electric system. The United States Government is exempt from taxation;
- 3) The County has sold the system to the Upper Peninsula Power Company. UPPCO will be required to pay property taxes;
- 4) Marquette County should not establish the precedent of making Payments in Lieu of Taxes to other local governments;
- 5) County revenues should be used to support County services; and
- 6) Payments made to local government, nonprofit agencies, or other organizations must be authorized by statute and must be for specific services to meet specific needs.

Comm. Nordeen is opposed to Mr. Power’s recommendation. He explained that Payments of Lieu of Taxes were created when government entities did something that was unusual. He feels the County should pay PILT.

It was moved by Comm. Arsenault, seconded by Comm. Bergdahl, and carried by voice vote 7 Ayes to 1 Nay (Comm. Nordeen) that the Committee of the Whole recommend the County Board approve the response prepared by Steve Powers, County Administrator, to the Sawyer Operations Authority regarding Payment in Lieu of Taxes (PILT) request.

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The Committee considered the natural gas system purchase offer recommendation. Scott Erbisch, Sawyer Operations Manager, explained in late 2002, proposals were solicited in an attempt to municipalize or sell the natural gas system. The County did not receive any partnering interest, but there was interest from SEMCO Energy in purchasing the gas system. Staff was directed to negotiate the sale of the natural gas system with SEMCO Energy. On February 10, 2004, both parties reached an agreement that warrants the County Board’s review and consideration.

SEMCO Energy has proposed to purchase the Sawyer Natural Gas Facilities with a lump sum payment of \$250,000. Additionally, the offer includes potential annual payments ranging from \$10,000 to \$20,000. These payments will only be made if specific “weather normalized” growth targets are met. Thus, by using a “weather normalization” adjustment, identifying an meeting specific load growth targets will not be affected by the weather.

Staff is recommending the County Board accept the purchase offer.

It was moved by Comm. Tuominen, seconded by Comm. Bergdahl, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board accept SEMCO Energy’s \$250,000 purchase offer and proposed Contingent Payment Plan and authorize Staff to finalize the sale.

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The Committee considered the FY 2003 State Homeland Security Grant Program Part II – Training Grant Agreement for Marquette County presented by Teresa Schwalbach, County Emergency Management Coordinator. The initial equipment grant program will reimburse Marquette County an amount up to \$86,892.34 for completion of training for first responders based on the State Homeland Security Needs

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Assessment. This grant funding will serve to institutionalize terrorism awareness, CBRNE Defense Operations training, and Unified Incident Command System training specifically for the following first responders and public/elected officials: Emergency Medical Services, Emergency Management Agency, Fire Service, Governmental Administrative, Hazardous Materials, Health Care, Law Enforcement, Private Security, Public Health, Public Safety Communications, and Public Works.

Teresa Schwalbach, County Emergency Management Coordinator, has reviewed the grant program and recommends approval of the agreement by the County Board.

It was moved by Comm. Bergdahl, seconded by Comm. Cihak, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board approve the FY 2003 State Homeland Security Grant Program Part II – Training Grant Agreement for Marquette County.

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The Committee considered the bid award – Jail/Annex Water Heater System Replacement from Larry Gould, Facilities Manager. The project basically includes removing the old system (storage tank, boiler piping, electrical, gas piping, heater, and assemblies) and installing a new dual modular boiler system. Plans and specifications were drafted by Integrated Designs, Inc. A draft contract was prepared by Staff and submitted for administrative review. The project notice was direct mailed to contractors and the notice placed in The Mining Journal. Four contractors submitted bids with the lowest bid from Dresseler Mechanical, Inc. Bids were analyzed by Staff. Mr. Gould recommends that the bid be awarded to Dresseler Mechanical, Inc. for a not-to-exceed sum of \$43,800. The project funds are budgeted in the capital project budgets for water heater replacement and energy upgrades.

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 bid award Jail/Annex Water Heater System Replacement to Dresseler Mechanical, Inc. for a not-to-exceed sum of \$43,800.

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The Committee considered a draft response to Governor Jennifer Granholm’s 2005 Budget. Gov. Granholm’s proposal would permanently shift the County property tax levy from December to July each year. The increased revenue, and earnings on the funds, would be placed in a reserve account. Each county will be authorized to annually withdraw and expend from its reserve account in lieu of State Revenue Sharing payments. The amount authorized for withdrawal will be annually adjusted for inflation. A county’s revenue sharing payments will be renewed when the balance in its reserve account is less than the amount authorized for withdrawal. The proposal would also make payments in lieu of taxes for state owned land to cities, villages, and townships, as the first obligation of state revenue sharing funds. The remainder of revenue sharing funds would be distributed as unrestricted financial support to local units of government.

Steve Powers, County Administrator, explained that more details are needed before a thorough analysis can be complete. The impact, however, appears to be that counties will have to replace state shared revenue with local property taxes. An approximate estimate for Marquette County is that over six years, we will lose an estimated 6.6 million. Steve Powers, County Administrator, prepared a draft response to the Governor’s proposed 2005 budget.

It was moved by Comm. Tuominen, seconded by Comm. Coyne, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board send the response prepared by County Administrator Steve Powers to the Governor.

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The Committee considered a CERT Grant Agreement. CERT is a Community Emergency Response Team. The team would work in conjunction with Marquette General Hospital and their effort to build a database for medically trained volunteers who are able to assist in emergency events such as small pox. The \$40,000 grant will be spent on training volunteers, supplies for the team, and administrative costs for the Red Cross. The Red Cross would be the lead agency and the County would be the fiscal agent of the grant. The Red Cross will be reimbursed with grant funds. There is no County or local match.

It was moved by Comm. Cihak, seconded by Comm. Bergdahl, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board approve the Community Emergency Response Team (CERT) Grant Agreement.

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Chairperson Corkin opened the meeting for public comment.

Carol Lamirand, again addressed the Committee regarding Comm. Cihak.

Paul O'Brien, Marquette County Road Commission employee, spoke regarding the Road Commission contract.

William LaBelle, Marquette County Road Commission employee, stated that union employees have tried to work as a team with management, but employees need trust and do not feel they have it.

Debbie Pellow, Tilden Township, stated that Commissioners now have the Task Force Report so something needs to be done.

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

COMMISSIONER COMMENTS, STAFF COMMENTS, AND ANNOUNCEMENTS

It was moved by Comm. Nordeen, seconded by Comm. Bergdahl, to start the process to remove all three members of the Marquette County Road Commission.

Comm. Coyne explained that she doesn't feel the Committee should make a hasty decision tonight. She feels a response from the Road Commission and the Employees is necessary.

Harley Andrews, Chief Civil Counsel, explained that in July of 2003 a similar motion was made with respect to Road Commissioner Menard. He further explained that at that time he provided several memos regarding the law and suggested procedures to be followed in the event that the County Board decides to proceed with the removal process. Mr. Andrews stated he will provide a memo to Commissioners for the March 3, 2004 meeting explaining the process.

Motion was withdrawn.

Comm. Nordeen requested the issue be put on the agenda for the March 3, 2004 meeting.

Comm. Cihak announced he attended the U.P. Jail Conference. He also asked for prayers from citizens for our servicemen overseas.

It was moved by Comm. Arsenault, seconded by Comm. Cihak, and unanimously carried by voice vote that Staff prepare a comparison of the Road Commission's current health insurance plan, Blue Cross/Blue Shield PPO 1, and the Midwest Security Plan for Commissioners prior to next week's meeting.

There being no further business the meeting was adjourned at approximately 8:00 P.M.

Respectfully submitted,

Connie M. Branam
Marquette County Clerk