

The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, March 9, 2004, 6:00 P.M., in Room 231 of the Henry A. Skewis Annex, 234 W. Baraga Avenue, Marquette, Michigan.

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

It was moved by Comm. Cihak, seconded by Comm. Wallace, and unanimously carried by voice vote that the minutes of the Committee of the Whole Meeting held on February 24, 2004 be approved.

Chairperson Corkin opened the meeting for public comment.

Carol Pelkola, Marquette, addressed the County Board regarding the Marquette County Road Commission.

Riley Purcel, Sawyer Operations Authority Board Member, addressed the County Board regarding the YMCA.

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

It was moved by Comm. Wallace, seconded by Comm. Cihak, and unanimously carried by voice vote that the agenda be approved with the following changes and addition: Move Item 10 to Item 5a and add Item 11) Discussion regarding the YMCA.

It was moved by Comm. Nordeen, seconded by Comm. Joseph, and unanimously carried by voice vote that Claims and Accounts for the period February 27, 2004 through March 4, 2004 in the amount of \$258,795.74 and biweekly payroll for the period ending February 28, 2004, in the amount of \$576,822.38 be approved.

The Committee considered an IRP Loan to B3PC. B3PC is a privately-held firm currently located in San Diego. The Company manufactures and provides service for a full range of computer equipment, including desktops, servers, notebooks, workstations, peripherals and a variety of other products required to deliver a complete solution.

B3 was introduced to Marquette County and Sawyer by Telkite, Inc. Telkite owns the Sage Building. B3 is considering expanding to Sawyer as a secondary location. They would occupy 30,000 sf. They have asked for expansion options up to 100,000 sf. B3's business plan calls for 118 people with an average salary of \$35,000. The lowest salary being \$20,000 and the highest being \$85,000.

USDA specifies a maximum loan amount of \$250,000. The current IRP loan policy specifies a maximum loan amount of \$200,000. Approval of this loan is within USDA guidelines, but will require that the Board waive its existing loan policy.

It was moved by Comm. Nordeen, seconded by Comm. Cihak, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board approve the \$250,000 loan to B3PC according to terms and contingencies outlined, waiving maximum loan amount requirements as set forth in loan policy.

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The Committee considered the TSA Lease. The Federal Transportation Security Administration has a full service lease for space in Building 731 and the terminal. The lease term is November 1, 2002 through October 31, 2004. The Federal General Services Administration has reviewed the lease and determined that some improvements to Building 731 are the County's responsibility. Staff agrees with the GSA. Building improvements that are the County's responsibility are Americans with Disabilities Act accessible bathrooms and building entrance, painting the building exterior, and providing window air conditioners.

The revision lowers the TSA two-year lease payment total from \$131,262 to \$109,993. The estimated two-year cost for the County is \$120,000, including building improvements. The Staff recommendation to the Committee of the Whole in 2002 indicated that building improvement costs would be paid by TSA during the initial lease term and be above a base rental amount.

Steve Powers, County Administrator, explained that while a loss is unfortunate, and the 2002 Staff recommendation was not achieved, the building has been improved and the County should earn a profit when the lease renewal is negotiated.

Comm. Joseph stated he is not in favor of approving the lease revision. The Staff recommendation in 2002 indicated that building improvement costs would be paid by TSA during the initial term lease and be above a base rental amount. He doesn't feel TSA should come in at the end of the lease and change what was agreed upon originally.

Mr. Powers further explained that Staff has initiated discussions regarding an extension to the lease. He hopes to have an answer for next week's Board meeting.

Comm. Tuominen stated he cannot support the TSA Lease until he sees the result of the negotiations.

It was moved by Comm. Coyne, seconded by Comm. Wallace, and carried by voice vote 5 Ayes to 2 Nays (Comm. Joseph and Comm. Tuominen) that the Committee of the Whole recommend the County Board authorize the County Administrator to sign the Lease revision to GSA Lease No. GS-05B-17203.

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The Committee considered a two-percent funding request to the Sault Ste. Marie Tribe of Chippewa Indians and the Keweenaw Bay Indian Community. The request is for \$216,000 from the Keweenaw Bay Indian Community and \$38,000 from the Sault Ste. Marie Tribe of Chippewa Indians. The Sault Ste. Marie Tribe of Chippewa Indians has a formal process for requesting two-percent gaming revenues. Distributions are made twice a year. Requests for the next distribution must be submitted by March 31, 2004. Distributions to local governments outside the areas impacted by the Tribe's casinos must for specific programs or projects.

The Keweenaw Bay Indian Community will be requesting programs and services to fund with two-percent gaming revenues. The KBIC usually makes two distributions per year.

The Board of Commissioners has accepted two-percent funds on behalf of nonprofit agencies, when requested by the nonprofit agency and when legally able to do so.

According to the State of Michigan, the appropriation of two-percent gaming revenue must be decided by a local government's governing board. The Sault Ste. Marie Tribe of Chippewa Indians is not required to distribute two-percent funds to Marquette County because no casino is located in Marquette County. The KBIC is required to distribute two-percent gaming revenues to Marquette County and/or local units of government in the County as compensation for the impacts of the Ojibwa II Casino. Some tribal councils, including the Sault Ste. Marie Tribe of Chippewa Indians, provide an undesignated amount to local governments in counties where a casino is located. Except for one year, the KBIC has distributed funds without specific designations.

Based on the adopted 2004 budget, Marquette County should request two-percent funds for law enforcement and the dental clinics. The amount requested for law enforcement includes \$120,000 for prior years DARE expenditures. Without additional two-percent funds, County reserves will be used to fund the expense. The 2004 Budget includes \$58,000 from two-percent funds for law enforcement and \$8,000 for jail operations. The amount was budgeted based on past distribution amounts. The Dental Clinics, while not dependent on two-percent revenue, use the funds for prevention and education. The Health Department Budget includes \$30,000 in donations and gifts. KBIC two-percent revenues have been a significant source of donated funds for the Dental Clinics.

It was moved by Comm. Joseph, seconded by Comm. Wallace, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board request \$30,000 for the County Dental Clinics and \$186,000 for County law enforcement.

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The Committee considered MNRTF Grant Application for Sugarloaf Mountain Stair and Railing Enhancement. The Department of Natural Resources (DNR) is accepting applications for the 2004 Recreation Grant Program. An application has been prepared for Michigan Natural Resources Trust Fund for rail and stairway enhancements to Sugarloaf Mountain. Grant funding would represent 74% of this project with a 26% local match for which the County is responsible. This project is estimated at \$80,000 with a grant request of \$59,200 (74%) and a local match of \$20,800 (26%). The grant only requires a 25% match however, a contribution over the minimum receives additional "preference points" in project ranking. The project is listed in the capital improvement schedule in the County's 2002-2005 Recreation Plan. Local match will be recommended in the 2005 budget.

Minutes are Subject to Correction and Approval

A public hearing was held on March 3, 2004 by the Marquette County Planning Commission to consider the application. No public was present and the Marquette County Planning Commission voted unanimously to 1) Submit a Notice of Intent, 2) Request the County Board of Commissioners adopt a Resolution supporting the grant application and commit the matching funds, 3) Designate the Forest Recreation Fund as the source for the County’s matching funds, 4) Designate Administrator Steve Powers, as the County’s representative authorized to sign the grant, and 5) Authorize the Board Chair to sign documents related to the project if Marquette County is awarded the Recreation Grant.

It was moved by Comm. Tuominen, seconded by Comm. Wallace, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board approve the MNRTF Grant Application for the Sugarloaf Mountain Stair and Railing Enhancement.

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The Committee considered a request to UPPCO for reimbursement of flood costs. Steve Powers, County Administrator, explained that the draft letter requests compensation from UPPCO for unreimbursed County, Road Commission, and Township expenses from the Dead River Flood. Sensible public policy is to seek compensation for the costs caused by the failure of the Silver Lake fuse plug.

The request is on behalf of Marquette County and the Marquette County Board of Road Commissioners. The Road Commission has the largest portion of the damage. Included in the request are expenses incurred by Marquette, and Negaunee Townships. The City of Marquette has submitted a separate request to UPPCO.

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 send the recommended letter to the Upper Peninsula Power Company for reimbursement of flood costs.

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The Committee discussed the YMCA and the YMCA Building. The County Board approved funding to keep the YMCA operating until June of 2004. Marquette County is contractually obligated to convey the Fitness Center to Telkite in December of 2004. Comm. Nordeen explained that the YMCA intends to vacate if they cannot get help to fill the gap from June 2004 to December 2004. He stated the Townships have offered to take the building and allow the YMCA to operate.

Steve Powers, County Administrator, explained that he sent a letter to Karen Anderson, Executive Director of the Sawyer Operations Authority explaining that Sawyer Operations Authority’s request should be directed to Telkite and that Marquette County is already contractually obligated to convey the Fitness Center to Telkite, and Telkite is obligated to accept the building. The SOA can seek to work out with Telkite whatever agreement best accomplishes the goal of keeping the Fitness Center operational.

Commissioners engaged in a lengthy discussion regarding the YMCA Building.

It was moved by Comm. Tuominen, seconded by Comm. Nordeen, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board request from Telkite a written proposal of the terms expected by Telkite to release the Fitness Center from Sales Agreement with the County.

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Chairperson Corkin opened the meeting for public comment.

Mike Quayle, Mildred Avenue, Marquette, Michigan, addressed the County Board regarding meeting changes, the Road Commission Task Force, and a request he submitted for a labor market survey.

Bill LaBelle, 2724 Union President, Marquette County Road Commission, addressed the County Board regarding the Marquette County Road Commission AFSCME Local 2714 insurance plan.

Reily Purcel, Sawyer Operations Authority Board Member, addressed the County Board regarding the YMCA Building.

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

COMMISSIONER COMMENTS, STAFF COMMENTS, AND ANNOUNCEMENTS

Comm. Tuominen announced a meeting regarding the Marquette County Road Commission Task Force Report will be held on March 18, 2004 with the Road Commission at the Ishpeming Township Hall, and March 31, 2004 with the Townships Association at the Negaunee Township Hall.

Chairperson Corkin encouraged citizens to attend the two meetings scheduled to discuss the Marquette County Road Commission Task Force Report.

Comm. Nordeen stated that the problems at the Road Commission occurred a long time before the problem with the recent contract negotiations.

Comm. Wallace felt disturbed because health insurance at the Road Commission is such an issue.

Comm. Cihak recognized Vikki Kulju as an asset at Sawyer.

Comm. Wallace requested the County Board acknowledge Vikki Kulju with a resolution.

Comm. Cihak stated that when the time is right he will make a full disclosure regarding the facts of what appeared in the Mining Journal article today, however he is unable to comment due to pending litigation.

There being no further business the meeting adjourned at approximately 7:25 P.M.

Respectfully submitted,

Connie M. Branam
Marquette County Clerk