

Minutes are Subject to Correction and Approval

The Marquette County Board of Commissioners met as a Committee of the Whole on Tuesday, March 28, 2006, at 6:30 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. Bergdahl, Comm. Cihak, Comm. Joseph, Comm. Pellow, Comm. Struck, Comm. Wallace and Chairperson Corkin. Absent and excused. Comm. Arsenault and Comm. Heikkila.

It was moved by Comm. Wallace, seconded by Comm. Joseph, and unanimously carried by voice that the minutes of the Committee of the Whole Meeting held on March 14, 2006 be approved.

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

It was moved by Comm. Joseph, seconded by Comm. Cihak, and unanimously carried by voice vote that the Agenda be approved with the addition of Item 8) Sale of Personal Property.

It was moved by Comm. Arsenault, seconded by Comm. Struck, and unanimously carried by voice vote that Claims and Accounts for the period March 18, 2006 through March 24, 2006 in the amount of \$343,287.72 be approved

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The Committee considered the 2005 DNR Grant for a Harbor and Docks Engineering Study. Jim Kippola, Manager of Planning, was present and explained that the County's 2005 Grant Application to the DNR for Engineering Assistance at the Big Bay Harbor of Refuge has been approved. Facilities at the Harbor are now over 50 years old and this project will provide for an important assessment of infrastructure for maintenance and capital programming in future years.

The total project cost is \$14,680 with half coming from the Grant and the remainder from the Forest/Recreation Fund. An engineering firm will be hired to complete the project.

Staff recommends the Board accept the grant by passing the Resolution and authorizing the Chair to sign the Agreement.

It was moved by Comm. Bergdahl, seconded by Comm. Struck, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board adopt the Resolution to accept the terms of the Agreement as received from the Michigan Department of Natural Resources and authorize the Board Chair to sign.

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The Committee considered Septage Disposal Fees at Sawyer. Scott Erbisch, Sawyer Operations Manager, was present and explained that a review of the Michigan Department of Environmental Quality's web site show the average charge to dispose of one gallon of septage in the State of Michigan is just over \$.04. The average for the five Upper Peninsula receiving facilities is just under \$.05. Mr. Erbisch stated that

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to determine if Sawyer is charging an appropriate amount for septage disposal, two methods were used to evaluate Sawyer's cost to treat septage waste.

The first method assumes that the facility exists to serve the municipal customers, and the municipal customers pay to maintain the operations whether septage and leachate are accepted or not. Since the facility is operating at less than capacity, and most operating costs are fixed, only direct additional costs are used to determine disposal costs. Under this method, it costs an additional \$.00978 per gallon to treat septage. Based on the current charge of \$.04 per gallon, the County is reducing their operating expenses by just over \$.03 per gallon or \$30.00 per 1,000 gallons. No additional equipment or chemicals are needed to treat septage.

The second method assumes all customers should pay the same fee for disposal of each unit of component of the waste. With this scenario, the cost to treat one gallon of septage is \$.307 per gallon, or \$307.00 per 1,000 gallons. Assuming the Waste Water Treatment Plant is operating at 50% capacity, the cost per gallon decreases to approximately \$.11 per gallon, or \$110.00 per thousand.

The Department of Environmental Quality does not require a specific method to determine rates.

During the 2005 calendar year, the Sawyer Waste Water Treatment Plant received and treated 946,715 gallons of septage for revenue of \$37,869. Septage was received from outside of the DEQ's 15-mile radius. Septage was received from as far away as Delta County.

Staff is concerned that if the septage fee is raised too high, the volume received could drop and potentially impact revenues. Although a volume reduction could be offset by a higher rate, Staff cannot guarantee that this will happen. Additionally, the State of Michigan, via Enrolled House Bill 5149, is considering allowing the disposal of septage at landfills. Should this Bill be adopted, there is another potential competitor for the septage.

If The Sawyer Waste Water Treatment Plant received 945,715 gallons of septage in 2006, the following revenue would be generated:

- At \$0.04 per gallon = \$37,869
- At \$0.05 per gallon = \$47,336
- At \$0.06 per gallon = \$56,803
- At \$0.07 per gallon = \$66,270
- At \$0.08 per gallon = \$71,004

Comm. Pellow does not agree with the formula used and the fees are not high enough. The methodology she would like to see used is based on the five perimeters. She feels the fee should start at \$.075 per gallon/\$75.00 per 1,000 gallons with \$15.00 of that being set aside in a sinking fund in case there is equipment breakdown.

Comm. Wallace felt that by 2008 the Board should implement an increase of \$.07 per gallon/\$70 per 1,000 gallons.

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It was moved by Comm. Wallace, seconded by Comm. Struck, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board increase the septage fee to \$.05 per gallon/\$50.00 per 1,000 gallons, beginning January 1, 2007 increase the fee to \$.06 per gallon/\$60.00 per 1,000 gallons and on January 1, 2008 increase the fee to \$.07 per gallon/\$70 per 1,000 gallons with Staff to come back to the County Board with a recommendation on the sinking fund.

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The Committee considered the Sale of Personal Property. Scott Erbisch, Sawyer Operations Manager, was present and explained that County policy authorizes the County Administrator to determine if personal property is surplus to County needs. No County Departments were interested in the snow plows. The Marquette County Road Commission was not interested in the snow plows.

Any items with an estimated value over \$7,500 must be advertised for bids, and the bids awarded by the Board of Commissioners. The surplus personal property was advertised for bids in *The Mining Journal* and bids were received prior to the March 3rd deadline.

The high bid for the snow plows is from Mike Wills Excavating & Trucking. The other items of surplus property listed on the bid do not require Board action per policy.

Mike Wills Excavating & Trucking is a tenant at Sawyer International Airport and Business Center. Among its customers is Delphi's Marquette County Vehicle Test Site.

The plows are surplus Air Force equipment acquired at no cost by the County. The sale proceeds will be deposited in the Airport Stabilization Fund. The total sale to Mike Wills of surplus equipment and vehicles is \$30,005.

It was moved by Comm. Bergdahl, seconded by Comm. Pellow, and unanimously carried by voice vote that the Committee of the Whole recommend the County Board approve the sale of two Oshkosh snow plows to Mike Wills Excavating & Trucking for \$11,300 each.

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

COMMISSIONER COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS

Chairperson Corkin reported that former Commissioner Fran Roberts passed away. He will be shown at the Koskey Funeral Home in Negaunee from 3:00 P.M. to 5:00 P.M. on Thursday. On behalf of the Board he expressed his condolences to Mr. Robert's family.

Chairperson Corkin also requested Administrator Powers provide information to the Board of Commissioners concerning the Commission on Aging and the millage language which was passed six years ago. He wants Commissioners to know if there are any restrictions to any actions the Board might want to take before they get the final report.

Comm. Pellow questioned when the Commission on Aging Report will be coming to the Board.

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Steve Powers, County Administrator, indicated that Rochelle Cotey is planning on having the report completed by April 17th. She will be available to attend the Committee of the Whole meeting on April 25th to answer questions and present the final report.

There being no further business to come before the Committee of the Whole, the meeting adjourned at approximately 6:55 P.M.

Respectfully submitted,

Janice R. Mason
Deputy County Clerk