

The attached minutes are subject to correction and approval

The Marquette County Board of Commissioners held their Regular Meeting on August 7, 2007, at 6:00 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. Cihak, Comm. Heikkila, Comm. Joseph, Comm. Pellow, Comm. Struck, Comm. Wallace, and Comm. Corkin. Absent and Excused: Comm. Bergdahl.

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

It was moved by Comm. Wallace, seconded by Comm. Pellow, and unanimously carried by voice vote that the minutes of the County Board of Commissioners Regular meeting held on Wednesday, July 18, 2007 be approved.

PROCLAMATIONS, PRESENTATIONS, AND AWARDS

Chairperson Corkin read the following Resolution honoring Waino Liuha:

*MARQUETTE COUNTY RESOLUTION
HONORING WAINO LIUHA*

WHEREAS, Waino Liuha was recently awarded the Claude Pepper Award; and,

WHEREAS, each year since 1990, Blue Cross Blue Shield of Michigan’s Senior Advisory Committee has honored outstanding senior citizen advocates for the Claude Pepper Award, named after the late U.S. Representative who campaigned for senior citizens’ rights; and,

WHEREAS, nominees for the Claude Pepper Award should demonstrate a strong concern for the special needs of the elderly; and,

WHEREAS, Waino Liuha is an extremely active retired man of 82. Although retired, he continues to work with people, mostly seniors, on nearly a full-time, voluntary basis. He has been volunteering in the community since the 1950’s; and,

WHEREAS, in addition to his ongoing volunteer duties, Waino was recently appointed by the Marquette County Board to serve on the Aging Advisory Committee to prioritize services for seniors living in Marquette County through county-wide senior millage.

THEREFORE BE IT RESOLVED, that the Marquette County Board of Commissioners congratulates Mr. Liuha for the hours he has devoted to his compassionate ministering. His caring, compassion, and advocacy skills have touched thousands of lives in Marquette County.

*Adopted this 7th day of August, 2007
Gerald O. Corkin, Chairperson
Marquette County Board of Commissioners*

Chairperson Corkin commended Mr. Liuha on his years of devoted service to the Seniors of Marquette County.

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

It was moved by Comm. Arsenault, seconded by Comm. Joseph, and unanimously carried by voice vote that Claims and Accounts for the period July 15, 2007 through August 3, 2007 in the amount of \$882,124.36 and Bi-Weekly payroll for the period ending July 28, 2007 in the amount of \$590,613.22 be approved.

It was moved by Comm. Wallace, seconded by Comm. Cihak, and unanimously carried by voice vote that the agenda be approved with the following Late Addition: 11a) SAGE Building Radar Installation.

PUBLIC HEARINGS

7a) Chairperson Corkin convened the Public Hearing on the Project Plan of the Economic Development Corporation of the County of Marquette, Michigan for the Benefit of Bell Memorial Hospital.

Chairperson Corkin explained the Project Plan includes information relating to the Hospital's refinancing of: (i) a Michigan State Hospital Finance Authority (MSHFA) HELP Loan to the Hospital, dated May 1, 1997, in the initial amount of \$3,485,486.00 that was incurred to finance the initial acquisition, construction, equipping and furnishing of the Teal Lake Medical Center located at 100 Malton Road, Negaunee, MI 49866, which is a mixed use medical office building, and (ii) a MSHFA HELP Loan to the Hospital dated September 16, 1999, in the initial amount of \$1,631,160.00 that was incurred to finance (a) the construction, equipping and furnishing of the expansion of the employed physician offices at the Teal Lake Medical Center, (b) shelled spaced build-out, including the equipping and furnishing of employed internal medicine physician offices, at the Teal Lake Medical Center, and (c) capital equipment purchases for use at the Teal Lake Medical Center, office and physical therapy department renovations at the Teal Lake Medical Center, and capital equipment purchases for use at the Bell Memorial Hospital located at 101 S. Fourth Street, Ishpeming, Michigan 49849. The project plan also includes information relating to the Hospital's construction and installation of water, sewer, and utility extensions including related, furnishings, fixtures, and equipment and necessary appurtenances thereto, such extensions to be made to service a new 25-bed critical access hospital facility to be located at 900 Old Farm Road, which is approximately one quarter mile north of the intersection of U.S. Highway 41 West and Lakeshore Drive in the City of Ishpeming, Marquette County, Michigan.

The Hospital is the owner, operator, or manager of the facilities. It is anticipated that no zoning changes will be required.

Chairperson Corkin opened the Public Hearing to those interested for comment. None was forthcoming.

Greg Perttula, CFO, Bell Hospital, was present to provide a financial explanation on the bond issue and to answer any questions.

It was moved by Comm. Pellow, seconded by Comm. Arsenault, and carried by voice vote 7 Ayes to 1 Abstention (Comm. Joseph) that the County Board approve of the Project Plan of the Economic Development Corporation of the County of Marquette, Michigan for the benefit of Bell Memorial Hospital.

INFORMATIONAL ITEMS

It moved by Comm. Wallace, seconded by Comm. Joseph, and unanimously carried by voice vote that the following Informational Items be accepted and placed on file:

- a. New Release from Chief Circuit Court Judge John R. Weber regarding SCAO Recommendation Targeting Marquette County for Reduction of One Circuit Court Judge.

Comm. Pellow expressed concern regarding the SCAO recommendation targeting Marquette County for the reduction of one Judge. She questioned the financial impact the loss of a Judge would mean to Marquette County. A brief discussion followed:

It was moved by Comm. Pellow, seconded by Comm. Arsenault, and unanimously carried by voice vote that the County Board direct Staff to meet with the Judges to discuss action the County Board can take to support the retention of Five Judges in Marquette County based on their criteria and what financial impact the loss of a

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Judge would have to Marquette County.

- b. Emergency Telephone Service Committee Announcing 2007 Funding Workshops.
- c. Department of Corrections Marquette County Jail Inspection Report.

Chairperson Corkin and Comm. Heikkila commended the Jail Administrator for compliance with the Administrative Rules for Jails and Lockups. An outstanding accomplishment under difficult conditions.

- d. Notice from the U.S. Army Corps of Engineers regarding Condition of Federal Navigation Channel - Big Bay Harbor.

ACTION ITEMS

10a) It was moved by Comm. Struck, seconded by Comm. Cihak, and unanimously carried by voice vote that the County Board approve the 2006 Homeland Security Program Interlocal Funding Agreement with Houghton County.

ACTION ITEMS CONTINUED

10b) The County Board considered a recommendation from the IRP Loan Committee. Scott Erbsich, Sawyer Operations Manager, explained on behalf of West Branch Township, that Barry Bahrman has requested that the IRP Loan Committee consider suspending all principle and interest payments on its IRP loan for the next twelve months.

A similar request was made in 2005 by West Branch Township, but the request was for a 24-month period. The IRP Committee, supported by the County Board of Commissioners, approved an interest only payment for twenty-four months. The IRP committee felt it was necessary to receive some interest during the 24-month period to pay for administrative fees and the annual loan payment.

The IRP Committee reviewed the current Balance Sheet, Profit and Loss Statements, and West Branch Township's budget. Its fiscal year is April 1st through March 31st.

The 2006/07 Fiscal Year Profit and Loss Statement shows a net income loss of \$55,862.00. The 2007/08 net income gain through July 9, 2007, is \$41,244.66. According to Barry Bahrman, a minimum of \$60,000 in reserves is needed for the winter only utility costs.

The current balance on the IRP Loan is \$228,912.88. A \$1,550.90 payment is automatically drawn on 8/1/07. The current interest rate is 1.25%. The principal is \$1,313.77 and interest is \$237.13.

Barry Bahrman, West Branch Township Supervisor, was present to answer questions. Commissioners and Staff engaged in a brief discussion regarding the West Branch Fitness and Community Center. Mr. Bahrman discussed community services and events at Sawyer. He discussed partnering with other municipalities and services in Marquette County. He also discussed the Sawyer Stampede Event scheduled at the Center.

It was moved by Comm. Pellow, seconded by Comm. Arsenault, and unanimously carried by voice vote that the County Board approve the IRP Committee recommendation for an interest-only payment (\$237.13) for 12 months beginning with the September 2007 payment. Beginning September 2008, the payment will return to principle and interest at the original 5% interest rate. Note: This loan is backed by the full faith and credit of West Branch Township.

LATE ADDITIONS

11a) The County Board considered a memo from Harley Andrews, Chief Civil Counsel, regarding SAGE Building Radar Installation. Mr. Andrews explained that in the documents by which the County sold the SAGE Building to Telkite, the County retained a right for the County to lease back from Telkite, for \$1.00 per year, the space occupied by the existing radar installation and its operating personnel. At that time the County did not know whether the radar installation would be a permanent fixture at the site, but felt it would be prudent to allow for that possibility.

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Since that time the FAA has continued to operate the facility while studying whether its continuation is necessary for civil aviation purposes. The FAA determined that this installation is not necessary for civil aviation, a finding that seems to be generally accepted and agreed with by the aviation community. Similarly, the Department of Defense has determined that it has no further need of the installation. It therefore appeared that the facility was going to be dismantled and removed.

However, the Department of Homeland Security has made the determination that the continued operation of this facility is essential to its mission. Accordingly, it has reached an agreement with the FAA by which the FAA will continue to staff, operate, and maintain the facility on behalf of the DHS. This decision then triggered the need or implementation of the leaseback provisions of the Telkite sales documents, so that the County could lease the space from Telkite and in turn sublease it to the FAA.

A practical difficulty was presented by the fact that Telkite has pickled the building. While continued operation of the facility on a temporary basis has still been possible to this point, this longer term commitment will require modifications to the space to be occupied by the FAA. Those modifications will include "stand alone" water and heating systems, and restroom facilities, all of which will serve only the space occupied by the FAA, and not the entire building. The FAA will be paying all costs incurred for these renovations.

Mr. Andrews further explained there are two documents involved in implementing this arrangement, which have now been agreed upon subject to County Board approval. The first is a Lease Agreement between the County and Telkite, by which the County leases from Telkite the space to be occupied by the FAA and its equipment. The second is a "Use and Occupancy Agreement" by which the County allows the FAA to use and occupy that space.

The term of these agreements will commence upon execution and will terminate on September 30, 2017, unless the FAA terminates earlier. There is no real money changing hands in these transactions. Telkite will be entitled to receive its \$1.00 per year from the County, and the County will charge no rent to the FAA. Neither the County nor Telkite assume any responsibility for maintenance of the subject space, or for snow removal, utilities, janitorial service, or any other amenities. The FAA will be responsible for any claims or damages that might arise by reason of its modifications to and/or occupancy of the space. In short, the County will be assuming no financial responsibility as a result of this arrangement.

Mr. Andrews explained that there is considerable urgency on the part of the FAA in expediting this process because it apparently has had the funding in place to make the necessary renovations, and faces the loss of this funding if it does not let contracts for this work within the next week or so.

It was moved by Comm. Wallace, seconded by Comm. Arsenault, and unanimously carried by voice vote that the County Board approve of the Lease Agreement between the County and Telkite, and the Use and Occupancy Agreement between the County and the FAA, and authorize the Board Chair to execute both documents and any other documents related to the SAGE Building Radar Installation.

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

COMMISSIONERS COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS

Chairperson Corkin announced that the West Branch Fitness Center will be hosting a meeting regarding Kennecott.

Vikki Kulju, Telkite, was present to discuss Telkite projects at Sawyer.

Chairperson Corkin announced that the Committee of the Whole Meeting scheduled for Wednesday, August 15, 2007 has been changed to Tuesday, August 14, 2007 and the County Board Meeting scheduled for Tuesday, August 21, 2007 has been rescheduled to August 22, 2007. Changes are due to the MAC Conference scheduled for August 19-21, 2007 in Grand Rapids, Michigan.

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There being no further business to come before the County Board of Commissioners, the meeting adjourned at approximately 6:45 P.M.

Respectfully Submitted,

Connie M. Branam
Marquette County Clerk