
**MINUTES OF THE COMMITTEE OF THE WHOLE MEETING – TUESDAY, MARCH 22, 2011
– 6:00 P.M. – ROOM 231, HENRY A. SKEWIS ANNEX, MARQUETTE, MI 49855.**

1. ROLL CALL.

- Call to Order by Chair at 6:00 p.m. – Room 231 Henry A. Skewis Annex, Marquette.
- Roll Call: Present: Commissioner Quayle, Commissioner Corkin, Commissioner Joseph, Commissioner Pellow, Commissioner Arsenault, Commissioner Nordeen, and Chairperson Bergdahl. - Absent: Commissioner Cihak and Commissioner Heikkila.

2. APPROVAL OF THE MINUTES OF THE COMMITTEE OF THE WHOLE MEETING HELD ON MARCH 8, 2011.

Committee of the Whole Action: Commissioner Pellow moved to approve the minutes of the Committee of the Whole Meeting held on March 8, 2011. Second by Commissioner Nordeen. Motion adopted.

3. APPROVAL OF THE AGENDA.

Committee of the Whole Action: Commissioner Pellow moved to approve the Agenda with the following addition: Item 6h) Schedule Meeting Time with West Branch Township. Second by Commissioner Arsenault. Motion adopted.

4. PUBLIC COMMENT.

Chairperson Bergdahl opened the meeting for public comment.

- Lisa Johnson, Community Hand UP, updated the Board concerning her progress with Northern Initiatives regarding the Sawyer Fitness/Community Center.

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

5. REVIEW OF CLAIMS AND ACCOUNTS.

Committee of the Whole Action: Commissioner Arsenault moved to approve Claims and Accounts for the period March 11, 2011 through March 17, 2011 in the amount of \$296,779.19. (Expenditure check #119668 in the amount of \$387.88 made payable to Cihak Investigative Services will be approved at the next meeting. Affidavit of Disclosure follows). Second by Commissioner Nordeen. Motion adopted.

Minutes are Subject to Correction and Approval

Sawyer being an all regional jet airport providing service to three major hub airports of Detroit, Chicago and Minneapolis.

This continues to re-affirm the decision by the Marquette County Board of Commissioners and airport staff for the completion of the FY-2007 parking lot expansion project.

This project included the expansion of the parking lot, installation of energy efficient light poles, and the purchase and installation of the Parking Access and Revenue Control System (PARCS) with funding via the FAA's Military Airports Program (MAP).

Sawyer's PARCS system accepts cash and coin, as well as debit and credit cards with Visa, Mastercard and American Express.

AIRPORT CAPITAL DEVELOPMENT:

During 2010, airport staff took part in the following capital projects:

- Completed the Fourth and Final Phase of Sawyer's program for the rehabilitation of Runway 1/19, a project at approximately \$643,000, per the FAA's Letter of Correction that was received in November, 2006..*
- July saw substantial completion for the interior rehabilitation of Sawyer's 400-Series aircraft storage hangars, a project at approximately \$1,262,263. Final project completion is estimated for May, 2011.*
- Completed the final punch list items for the Phase I rehabilitation of Sawyer's airfield taxiway lighting system. This project, fully funded at 100% via the American Reinvestment and Recovery Act, or ARRA, at \$1,939,000 was completed in May. Staff did not need the full amount, and came in under budget by approximately \$9,606.*
- Completed a project for the Phase II rehabilitation of Sawyer's airfield taxiway lighting system, a project at approximately \$1,290,470.*
- December saw the start of a project for the construction of two uni-sex restrooms in the airline gate area of the airline passenger terminal. As of January 13th, both restrooms are open for use by the public.*

Committee of the Whole Action: Commissioner Nordeen moved that the Committee of the Whole recommend the County Board accept the Sawyer Update – CY-2010 Summary for filing as presented by Keith Kaspari, Airport Manager. Second by Commissioner Arsenault. Motion adopted.

c. Passenger Facility Charge Application.

Keith Kaspari, Airport Manager, explained the following:

BACKGROUND:

Since the mid to late 1990's, Marquette County has imposed a Passenger Facility Charge (PFC). The applications which are submitted are reviewed by the FAA for project eligibility. The FAA's PFC program is a common program whereby airports impose a PFC to provide for funds to match the airport owner's share of capital projects at airports. Sawyer's current PFC application expires at the end of July.

Sawyer airport staff is, with the assistance of Mead & Hunt, preparing the first of what could be four applications for the reimbursement to Marquette County for all local funds that were used via the Sales Proceeds account of the former Marquette County Airport in Negaunee Township, and the current Sawyer Stabilization Fund, for all projects completed via the FAA's Military Airports Program (MAP) that would be deemed as eligible for PFC collection authority. Many years ago, the FAA approved Marquette County's use of the Sales Proceeds for this purpose.

ADDITIONAL SUPPORTING INFORMATION:

The \$1.00, \$2.00 and \$3.00 PFC was increased to \$4.50 during CY-2000. However, the current \$4.50 PFC buys airports less than \$2.50 worth of product (equipment) or services (construction improvements). Yet to stay current with inflationary costs of goods and services, the \$4.50 PFC should be approximately \$8.13. (CY-2009 estimation)

However, debate in Congress on the issue to raise the PFC is seeing resistance because of the perception that the PFC is a tax, in contrast with what the PFC is, which is a user fee.

Since it may come out of the next FAA Reauthorization Bill that no PFC increase is allowed, what Congress may allow is a "Pilot Program" to allow no more than six airports to impose or collect a PFC set by the airport owner. With continued FAA regulatory oversight, the Pilot Program would prohibit the airlines to serve as a pass-thru collection vehicle which is how the PFC is collected today.

STAFF RECOMMENDATIONS:

1. Approve PFC Application No: 11-10-C-00-SAW as recommended by airport staff, for the estimated collection of approximately \$278,804, with an estimated collection period of August 1, 2011 through December 1, 2012.
2. Staff further recommends that, to maintain compliance with all FAA Grant Assurances, specifically No: 25, that the revenue collected be restricted for use only by airport staff for the payment of MDOT generated invoices for the local share payment of costs for airport capital development projects at Sawyer that are reflected on Sawyer's current and future Airport Capital Improvement Program (ACIP). (Current version dated 11/08/2010)
3. Pending the outcome of the final approved FAA Reauthorization Bill, airport staff would like to explore the possibility of making application to the FAA, and to enter the FAA's Pilot Program for their consideration to allow Sawyer to be one of the six airports in the Pilot Program, and to allow Sawyer to collect a PFC with a level of collection yet to be determined.

Committee of the Whole Action: Commissioner Corkin moved that the Committee of the Whole recommend the County Board approve the Passenger Facility Charge Application 11-10-C-00-SAW as presented by Keith Kaspari, Airport Manager. Second by Commissioner Arsenault. Motion adopted.

d. 2011 Proposed Perkins Park and Big Bay Harbor of Refuge Fees.

Kim Bourgeois, Park Manager/Harbormaster, presented the following:

In accordance with our State Waterways Commission agreement, it is time for the County Board to consider the 2011 fee structure for the Big Bay Harbor of Refuge.

The State Waterways Commission sets transient and seasonal mooring rates at the Harbor. The County normally accepts the State transient rates but, in the past, Marquette County has made a request to the State Waterways Commission for permission for a reduction in the fees for seasonal mooring at the Big Bay Harbor in order to attract seasonal boaters to the marina. It is staff's opinion that the distance to Big Bay and available amenities reduce demand for slips at the facility.

Staff recommends the County Board adopt the State transient rates and request to the State that our seasonal rates be set 38% below the \$34.25 per foot State rate, or \$21.30 per foot, up from \$20.30 per foot last year.

****Additional Information was requested by Commissioners for the April 5, 2011 Meeting****

Committee of the Whole Action: Commissioner Corkin moved that the Committee of the Whole recommend the County Board approve the 2011 Proposed Perkins Park and Big Bay Harbor of Refuge Fees as explained by Kim Bourgeois, Park Manager/Harbormaster. Second by Commissioner Pellow. Motion adopted

e. 2011 Management/Professional Employees Compensation.

Steve Powers, County Administrator, recommended a \$500.00 One-Time Payment for the Non-Represented Management/Professional Marquette County Employees.

Committee of the Whole Action: Commissioner Pellow moved that the Committee of the Whole recommend the County Board approve a one-time payment of \$500.00 in 2011 for the Non-Represented Management/Professional Employees as recommended by Steve Powers, County Administrator. Second by Commissioner Arsenault. Motion adopted.

f. MERS Employer Resolution Establishing Uniform Transfer Provision.

Steve Powers, County Administrator, explained the following:

BACKGROUND:

The resolution was considered at the February 1 and February 15, 2011, Board of Commissioners meetings. Commissioners requested information on the need for an actuarial study and information on why MERS is offering the resolution to employers. At the February 15 meeting, the Board moved to ask Tami Seavoy for her cost to review the transfer rule and give an opinion.

Enclosed are the resolution; Ms. Seavoy's cost estimate; a response from Mike Moquin, MERS Chief General Counsel regarding the need for an actuarial study; and information from Stacy McDonald, MERS Office Coordinator/Supervisor regarding Marquette County's employee transfer history. Ms. Seavoy estimates up to \$800 would be her cost to provide an opinion on the need for an actuarial valuation. Mr. Moquin's response details the reasons why an actuarial valuation is not required for the uniform transfer provision. Ms. McDonald's information states that providing employees with the choice of being placed in a division's open plan or closed plan would parallel Marquette County's practice since 2000.

Approval of the resolution helps Marquette County develop and benefit from employees motivated to seek promotions or transfer opportunities within our organization. The resolution allows employees to choose to be placed in an open plan (defined contribution for most groups) or the closed plan (defined benefit for most groups). By allowing the choice, the Board of Commissioners will remove an impediment to department directors hiring the best person for the job. Another consideration is since the employees are not changing employers, should they not be allowed a choice rather than being required to change their retirement benefit?

FISCAL IMPACT: *The measurable impacts of approving the resolution are the difference between Marquette County's contribution rate for the defined benefit plan and the defined contribution plan if the employee chose to remain in the defined benefit plan. The fiscal impact of not approving the resolution is that a transferred or promoted employee would move to the defined contribution plan. Other known but difficult-to-measure fiscal impacts are the costs of recruiting, training, and developing employees hired versus transferring or promoting a Marquette County employee.*

An immeasurable impact is the likely organizational cost of some county employees not advancing or transferring within Marquette County.

Committee of the Whole Action: After discussion and debate, Commissioner Quayle moved to table the MERS Employer Resolution Establishing Uniform Transfer Provision until all Commissioners are present. Second by Commissioner Nordeen. A roll call vote was recorded. Nays: Commissioner Corkin, Commissioner Joseph, Commissioner Pellow, Commissioner Arsenault and Chairperson Bergdahl. Ayes: Commissioner Quayle and Commissioner Nordeen. Motion Failed.

Minutes are Subject to Correction and Approval

Committee of the Whole Action: After further discussion, Commissioner Arsenault moved that the Committee of the Whole recommend the County Board approve the MERS Employer Resolution Establishing Uniform Transfer Provision, as explained by Steve Powers, County Administrator. Second by Commissioner Pellow. Motion adopted.

g. 2012 Budget Calendar.

Steve Powers, County Administrator, explained the following:

The steps and sequence are the same as past years. As you review the calendar, please consider the following:

- *Your availability in September, if you wish to continue with Committee of the Whole work sessions.*
- *Whether the board should have a work session before the budget materials are distributed to departments. Fiscal direction would be helpful for the departments as they prepare their budget requests. The work session could include discussion of board direction regarding the priorities of airport funding, maintaining a balanced budget, mandated services, and post-employment benefits funding.*
- *For the past several years, the Committee of the Whole work session has been an hour or two review and discussion of the County Administrator's Recommended Budget. Is more involvement from the board or departments desired?*

Committee of the Whole Action: After Discussion, Commissioner Pellow moved that the Committee of the Whole recommend the County Board direct staff to schedule a Budget Workshop for Commissioners to prepare for the 2012 Budget. Second by Commissioner Nordeen. Motion adopted.

h. West Branch Township Meeting.

The Marquette County Board of Commissioners will meet in Special Session with the West Branch Township Board to discuss the Sawyer Fitness/Community Center on April 11, 2011 in Room 231 of the Henry A. Skewis Annex.

7. PUBLIC COMMENT.

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

8. COMMISSIONERS COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS.

- Commissioner Quayle requested that the memorandum agreement between the Michigan State Police and Marquette County regarding the operations of Central Dispatch be added to the April 12th Committee of the Whole Agenda.
- Commissioner Corkin announced the next MAC Meeting to be held March 28, 29 & 30 in Lansing. Governor Snyder will be speaking regarding budget proposals. Commissioner Arsenault, Commissioner Cihak and Commissioner Corkin will be attending.
- Chairperson Bergdahl announced the CUPPAD Comprehensive Economic Development Strategy is in Commission Chambers for review.

Minutes are Subject to Correction and Approval

- Chairperson Bergdahl announced that Dan Benishek personally delivered the application regarding County Road 595 to the EPA.
- Steve Powers, County Administrator, announced that there is no County Board of Commissioners Meeting scheduled for March 29th - (5th Tuesday of the Month).
- Steve Powers, County Administrator, announced the 2010 Census Data is available. Marquette County grew by roughly 4% since 2000.

9. CLOSED SESSION.

Committee of the Whole Action: Commissioner Pellow moved to go into Closed Session pursuant to MCL 15.268(c) for Strategy and Negotiations Sessions Connected with the following Negotiations of Collective Bargaining Agreements:

- Consideration of 2011 Collective Bargaining Agreement for Airport Employees.
- Consideration of 2011 Collective Bargaining Agreement for Sheriff's Department Deputies.

Second by Commissioner Corkin. A roll call vote was recorded: 7 Ayes (Commissioner Quayle, Commissioner Corkin, Commissioner Joseph, Commissioner Arsenault, Commissioner Pellow, Commissioner Nordeen and Chairperson Bergdahl) to 0 Nays. Motion adopted.

Chairperson Bergdahl declared a two minute recess to clear Commission Chambers.


CLOSED SESSION

The County Board came back into Open Session.

Committee of the Whole Action: Commissioner Nordeen moved that the Committee of the Whole recommend the County Board ratify the 2011 Collective Bargaining Agreement for Airport Employees. Second by Commissioner Arsenault. Motion adopted.

10. ADJOURNMENT.

There being no further business to come before the Committee of the Whole, the meeting adjourned at approximately 7:52 p.m.



Linda K. Talsma
Deputy County Clerk

Charles Bergdahl, Chairperson
Marquette County Board of Commissioners

Minutes Proposed for Approval on April 12, 2011.