



**SUPERIOR TRADE ZONE
REGULAR MEETING
Monday, May 16, 2017 at 9:00 a.m.**

A meeting of the Superior Trade Zone was held on Monday, May 16, 2017, at 9:00 a.m. at the Maple Ridge Township Hall. 3892 W Maple Ridge 37th Road, Rock, MI 49880.

PRESENT: Marquette County Administrator Scott Erbisch, City of Escanaba City Manager Jim O'Toole, Ford River Township Gary Boudreau, Ishpeming Township Supervisor James Nankervis, Maple Ridge Township Supervisor Judy Trudell, Negaunee Township Supervisor Bill Carlson, Forsyth Township Supervisor Joe Boogren and Richmond Township Bill Leutzo, City of Marquette CFO Gary Simpson, Masonville Township Supervisor Peter Brock, and LSCP/Marquette County Economic Development Amy Clickner

ALSO PRESENT: City of Escanaba Executive Assistant Lisa Glish, Delta County Economic Development Director Vicki Schwab, and Ewing Township Supervisor Thomas Linjala

ABSENT: Delta County Administrator Ryan Bergman, Bark River Township Supervisor Gregg Johnson, Ely Township Supervisor Brian Johnson, Nahma Township Supervisor Warren Groleau, Wells Township Supervisor Robert Therrian, Delta County Commissioner Patrick Johnson, Garden Township Supervisor Ray Young, Humboldt Township Supervisor Thomas Prophet, and Chocolay Township John Greenberg, Wells Township Steve Mileski, and Marquette Township Pete LaRue

Scott Erbisch called the meeting to order at 9:05 a.m.

ROLL CALL

Scott Erbisch conducted roll call.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by all in attendance.

APPROVAL/CORRECTION(S) TO MINUTES: February 21, 2017

A motion was made by Jim Nankervis, seconded by Bill Carlson, to approve the meeting minutes from February 21, 2017 as submitted. Ayes were unanimous.

APPROVAL/ADJUSTMENTS TO THE AGENDA

Jim O'Toole requested the addition of four (4) additional agenda items to the proposed agenda: 3.) Update – Professional Administrative Services RFP. 4.) Discussion - Purchase Policy. 5.) Discussion – Annual Dues. and 6.) Discussion – Meeting Times.

A motion was made by Bill Carlson, seconded by Bill Luetzow, to approve the meeting agenda including the additions of 3.) Update – Professional Administrative Services RFP. 4.) Discussion - Purchase Policy. 5.) Discussion – Annual Dues. and 6.) Discussion – Meeting Times. Ayes were unanimous.

CONFLICT OF INTEREST DECLARATION

None.

UNFINISHED BUSINESS

None.

PUBLIC HEARINGS

None.

NEW BUSINESS

1. Update – Defense Manufacturing Assistance Program.

Vicki Schwab updated that she has been in contact with Carmen Wells Quigg from DMAP concerning the focus group results that took place on February 21, 2017. She stated that during the Focus Group 11 potential projects were identified and DMAP is requesting that the STZ have further discussion on those 11 identified projects and create a priority list of the those projects. Vicki stated she will then communicate back to DMAP any adjustments, notes, etc. that the STZ may have on those projects. She then stated that after the list has been prioritized DMAP will begin work on an advanced plan that will include a draft scope of work. The draft scope of work it will include bids from consultants, and ideally they would like to have a nine (9) month engagement. She went onto state the STZ has been given funds up to \$50,000 and that funding needs to be used in the next three (3) years, she went onto state that this program requires no match money.

Before discussion of the list began to take place, Scott Erbish stated that he received an email concerning one of the items listed on the potential projects list concerning Trade Programs. He stated that he received an email from Robert Eslinger, Interim Dean for the College of Technology and Occupational Sciences at Northern Michigan University reminding the STZ area that both NMU and Bay College offer training and education classes in the skilled trades already.

Scott Erbish - FW: Superior Trade Zone Agenda for May 16, 2017

From: "Eslinger, Robert A" <reslinge@nmu.edu>
To: Scott Erbish <SErbisch@mqtc.org>
Date: 5/11/2017 1:41 PM
Subject: FW: Superior Trade Zone Agenda for May 16, 2017
Attachments: STZ - Agenda Packet for 05.16.17.pdf

Hi Scott,

Just a quick follow up to our call. In reviewing the minutes and notes included in the packet I noticed the identification of a need for a "skilled training center" both in the regular minutes under New Business, 1. Focus Group Event... at the top of the next page is the list of desired outcomes attendees created in response to the question "Given the impacts that have been identified, what are local needs and desired outcomes?" and again in the minutes from the DMAP focus group discussion "Skills training center" is identified as a need with outcomes listed as "skilled labor and attract workers."

I am interested in what the focus group was after by identifying that as a need and whether there is an understanding that two such centers already exist in the Central UP? Both NMU and Bay College offer training and educational classes in the skilled trades. Northern Michigan University offers a variety of certificates, associate degrees as well as baccalaureate degrees in topics such as welding, industrial maintenance, HVACR, construction management, mechanical and electrical engineering technology, computer numerical control technology, and engineering design and we have a robust Continuing Education and Workforce Development office that routinely provides non-credit industry training on a variety of topics for UP companies. Recently CEWD provided training in welding for a local paper company, mine safety for Cliffs and belt drive maintenance, past topics include everything from bearings and gears to power transmission and hydraulics. I don't want to speak for Bay College or the MTEC but I believe that they have some similar offerings.

In any case, I just wanted to reach out to you and the group and offer to meet with the group (either me or the appropriate person) to discuss NMU programs and capabilities or at least for us at NMU to understand what additional training or academic topics the group feels are needed in our region. We want your group and all UP companies to be successful and will do our best to help in any way possible.

Thanks Scott. Talk to you soon.
Bob

Robert Eslinger
Interim Dean
College of Technology and Occupational Sciences
Northern Michigan University
1401 Presque Isle Ave
Marquette, MI 49855
906.227.2190

Vicki Schwab went onto review that the item on the list of potential projects that ranked the highest was a Consolidated Strategy for Regional Marketing of the STZ Area Assets. She explained that for this project an asset mapping project would need to take place. She suggested that the STZ identify what is currently being shipped in and out of Marquette and Delta Counties, and how they are being shipped (i.e.: ship, air, rail, truck, etc.). She went onto state that once these items are identified the option of shipping co-ops could take place to save money to all involved.

Jim O'Toole suggested to have DMAP create a Strategic Plan for the STZ that would include all of the consolidated strategic components in addition of a Marketing and Branding component. Jim went onto explain that through the creation of a strategic plan the projects will then become goals and objectives for the STZ. He went onto explain that the Marketing and Branding component would help identify the STZ group as a whole and explain exactly what the STZ is and what it has to offer.

A motion was made by Jim O'Toole, seconded by Joe Boogren, to have the Defense Manufacturing Assistance Program (DMAP) create a Strategic Plan for the Superior Trade Zone (STZ) that will include a Marketing and Branding Plan. Ayes were unanimous.

After the motion passed, Joe Boogren volunteered to assist DMAP in the creation of the Strategic Plan.

2. Update – Superior Trade Zone Website Update.

Lisa Glish gave an overview/update on the status of the new STZ website, explaining that the items that were previously identified as components in which the STZ would like included in the final website have been submitted to Revise, Revise then added those items into the developing website. Lisa presented a viewing of the draft website that was provided by Revise, and she stated that even though there is information in the site, all links and information will need to be reviewed for accuracy in content and links. Lisa stated she will be working with Lisa Hammill from Marquette County on the task of massaging the website, and hopes to have additional progress made by the next STZ meeting.

3. Discussion – Professional Administrative Services RFP.

Jim O'Toole explained that the purpose of the item is to discuss the STZ need to obtain professional administrative services to assist in the day-to-day activities of the STZ. Jim explained that by having a service like this it would also provide the STZ with consistency in paperwork, agendas, minutes, meeting scheduling, RFPs, website maintenance, etc.

Jim explained that he will create a draft RFP to present at the next meeting. He then stated that during that meeting the STZ everyone will have a chance to review it and made edits as needed. He then explained that the plan would be to then release the RFP soon after, and start receiving candidates by the July meeting.

4. Discussion – Purchasing Policy

Scott Erbish explained that a Purchasing Policy should be created for the STZ that will be followed when it comes to purchases. Jim O'Toole stated that he will send the City of Escanaba Purchasing Policy to everyone to review and get ideas from for when the STZ's policy is written up. Jim went onto explain that this would become a task for the Administrative Services to complete.

5. Discussion – Annual Dues

Scott Erbish made the recommendation to lower the annual dues from \$10,000 to \$5,000 for the four (4) contributing governments of Delta County, Marquette County, The City of Escanaba, and The City of Marquette for the 2017 billing cycle. He explained the recommended reduction is due to the general fund balance for the STZ is substantial enough that he feels there is enough in it to carry the STZ. Scott referenced Article IX – Fees, Section 9.01 – Initial Annual Fees of the STZ Corporation

Order which explains the current fee schedule. Scott also included printouts of the current STZ General Fund Balance Sheet and the 2017 Budget Revenue and Expenditure Report.

**ARTICLE IX
FEES**

Section 9.01 Initial Annual Fees. Commencing on the Effective Date, for the first three (3) term years the following fee schedule will apply, subject to modification as provided for in Section 9.02. Delta and Marquette Counties will each contribute \$10,000 annually. This fee by the Counties will also allow for any Township to become a Local Government Party to this Agreement. The Cities of Marquette and Escanaba will also contribute \$10,000 annually. This fee paid by the Cities will also allow for any City to become a Local Government Party to this agreement.

Please note, the annual fee does not strictly have to come from each party noted. It can be a shared fee from the other Local Government Parties that also wish to participate within the Corporation.

OPTIONAL - The initial annual fee may be waived in its entirety for the initial Local Government Parties to this agreement in consideration on the in-kind contributions made in support of creating the Corporation and pursuing appropriate supporting legislation. The fixed entry fee for Local Government Parties subsequently joining the Corporation may be waived in whole or in part by the Executive Committee in its sole discretion in consideration of in-kind contribution(s).

GL Number	Description	Current Year Beg. Balance	Balance
Fund 798 SUPERIOR TRADE ZONE			
*** Assets ***			
798-000000-1110100	CASH	73,371.80	103,123.55
Total Assets		<u>73,371.80</u>	<u>103,123.55</u>
*** Liabilities ***			
798-000000-2120200	ACCOUNTS PAYABLE	0.00	0.00
Total Liabilities		<u>0.00</u>	<u>0.00</u>
*** Fund Balance ***			
798-000000-3439000	FUND BALANCE	40,000.00	40,000.00
Total Fund Balance		<u>40,000.00</u>	<u>40,000.00</u>
Beginning Fund Balance - 2016			40,000.00
Net of Revenues VS Expenditures - 2016			33,371.80
*2016 End FB/2017 Beg FB			73,371.80
Net of Revenues VS Expenditures - Current Year			29,751.75
Ending Fund Balance			103,123.55
Total Liabilities And Fund Balance			103,123.55

05/10/2017 11:46 AM
User: DKimmes
DB: Marquette County

BALANCE SHEET FOR MARQUETTE COUNTY
Period Ending 04/30/2017

Page: 59/61

Reserve as of 12/31/16 73,371.80

2017 Contributions to date 30,000.00

2017 exp to date 4/30/17 (248.25)

Current Reserves 99,751.75

* Year Not Closed

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE 12/31/2016	2017 ORIGINAL BUDGET	2017 AMENDED BUDGET	ACTIVITY FOR MONTH 04/30/17	YTD BALANCE 04/30/2017	AVAILABLE BALANCE	% BODT USED
Fund 798 - SUPERIOR TRADE ZONE								
Dept 610000-GENERAL ADMINISTRATION								
Revenues								
798-610000-4558800	LOCAL CONTRIBUTIONS	40,000.00	40,000.00	40,000.00	20,000.00	30,000.00	10,000.00	75.00
TOTAL REVENUES		40,000.00	40,000.00	40,000.00	20,000.00	30,000.00	10,000.00	75.00
Expenditures								
798-610000-5272700	OFFICE SUPPLIES	0.00	500.00	500.00	0.00	0.00	500.00	0.00
798-610000-5272900	POSTAGE	0.00	200.00	200.00	0.00	0.00	200.00	0.00
798-610000-5273100	COPY COSTS	0.00	200.00	200.00	0.00	0.00	200.00	0.00
798-610000-5273600	BOOKS AND PERIODICALS	0.00	100.00	100.00	0.00	0.00	100.00	0.00
798-610000-5274000	MARKETING/REDEVELOPMENT	6,400.00	12,000.00	8,000.00	0.00	42.40	7,957.60	0.53
798-610000-5275500	OTHER SUPPLIES	0.00	500.00	500.00	0.00	0.00	500.00	0.00
798-610000-5380200	MEMBERSHIPS	0.00	500.00	500.00	0.00	0.00	500.00	0.00
798-610000-5381000	PROF/CONTRACTUAL SERV.	0.00	0.00	13,000.00	0.00	0.00	13,000.00	0.00
798-610000-5385000	TELEPHONE	0.00	200.00	200.00	0.00	0.00	200.00	0.00
798-610000-5386000	TRAVEL	72.90	500.00	500.00	0.00	205.85	294.15	41.17
798-610000-5390100	ADVERTISING	155.30	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00
798-610000-5395612	INCREASE IN FUND EQUITY	0.00	22,300.00	13,300.00	0.00	0.00	13,300.00	0.00
TOTAL EXPENDITURES		6,628.20	40,000.00	40,000.00	0.00	248.25	39,751.75	0.62
Net - Dept 610000-GENERAL ADMINISTRATION		33,371.80	0.00	0.00	20,000.00	29,751.75	(29,751.75)	
TOTAL REVENUES		40,000.00	40,000.00	40,000.00	20,000.00	30,000.00	10,000.00	75.00
TOTAL EXPENDITURES		6,628.20	40,000.00	40,000.00	0.00	248.25	39,751.75	0.62
NET OF REVENUES & EXPENDITURES		33,371.80	0.00	0.00	20,000.00	29,751.75	(29,751.75)	100.00
TOTAL REVENUES - ALL FUNDS								
		82,082,557.32	63,704,184.00	66,171,715.00	3,800,563.93	23,658,322.42	40,513,392.58	36.87
TOTAL EXPENDITURES - ALL FUNDS								
		76,587,689.05	63,704,184.00	66,171,715.00	6,165,206.86	23,637,334.29	40,534,380.71	36.83
NET OF REVENUES & EXPENDITURES		5,494,868.27	0.00	0.00	(2,364,642.93)	20,988.13	(20,988.13)	100.00

A motion was made by Bill Carlson, seconded by Bill Luetzow, to amend the Corporation Order to reduce the annual dues for Delta County, Marquette County, The City of Escanaba, and The City of Marquette from \$10,000 to \$5,000. Ayes were unanimous.

6. Discussion – Meeting Times.

A discussion took place concerning setting a schedule for the STZ to meet. Scott Erbish suggested the meetings take place bi-monthly on the Third Tuesday of the Month with a 9:00AM start time. Jim O’Toole suggested a meeting be held on June 20, 2017 to review the follow-up agenda items that there will be and then begin to meeting bi-monthly after that. Scott Erbish agreed with Jim’s suggestion, no objections were made by the group.

Vicki Schwab suggested the August meeting take place on August 22nd verses August 15th to avoid the U.P. State Fair Week. No objections were made by the group.

MEMBER ANNOUNCEMENTS AND UPDATES

Lisa Glish will be sending out an email to all members requesting names and contact information of each Primary and Alternate official for each Superior Trade Zone partner.

Vicki Schwab requested to have everyone forward her company names and information from their areas that offer sand and gravel. She went onto state that these names would help on a project that is currently in the works that cannot be discussed openly at this time.

A discussion took place concerning current and potential solar farm projects throughout the Delta County and Marquette County areas.

GENERAL PUBLIC COMMENT

None.

AUTHORITY/STAFF COMMENT AND ANNOUNCEMENTS

None.

ADJOURNMENT

A motion was made by Vicki Schwab, seconded by Joe Boogren to adjourn the meeting. Ayes were unanimous.

Scott Erbisch adjourned the meeting at 11:13 a.m.

Scott Erbisch, Chairperson
Marquette County Administrator

Jim O'Toole, Vice-Chairperson
City of Escanaba City Manager