



**SUPERIOR TRADE ZONE
REGULAR MEETING
Tuesday, February 21, 2017, at 9:00 a.m.**

A meeting of the Superior Trade Zone was held on Tuesday, February 21, 2017, at 9:00 a.m. at the Rock Lions Club, 14454 M-35, Rock, MI 49880.

PRESENT: City of Escanaba City Manager Jim O'Toole, Ford River Township Gary Boudreau, Ishpeming Township Supervisor James Nankervis, Maple Ridge Township Supervisor Judy Trudell, Marquette County Administrator Scott Erbsch, Negaunee Township Supervisor Bill Carlson, Forsyth Township Supervisor Joe Boogren and Richmond Township Bill Leutzo, Wells Township Steve Mileski, and Marquette Township Pete LaRue

ALSO PRESENT: City of Escanaba Executive Assistant Lisa Glish, Delta County Administrator Ryan Bergman, Delta County Economic Development Director Vicki Schwab, MEDC Amy Berglund, DMAP Project Manager Carmen Wells Quigg, DMAP Project Manager Pam Weiss, Rick Kauppila from UP Fab, Melisa Johnson from Northern Machining and Repair, Caralee Swanberg from LSCP, Brad McPhee from Creative Composites, Elise Matz of Senator Peter's Office, Craig Westlund from DelFab Inc., Brad Couture from Superior Extrusion Inc.,

ABSENT: Bark River Township Supervisor Gregg Johnson, Ely Township Supervisor Carl Hosang, 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, City of Marquette CFO Gary Simpson, Masonville Township Supervisor Peter Brock, and LSCP/Marquette County Economic Development Amy Clickner..

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

ROLL CALL

Scott Erbsch conducted roll call.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by all in attendance.

APPROVAL/CORRECTION(S) TO MINUTES: January 23, 2017

A motion was made by Bill Carlson, seconded by Jim Nankervis, to approve the meeting minutes from January 23, 2017 as submitted. Ayes were unanimous.

APPROVAL/ADJUSTMENTS TO THE AGENDA

None.

CONFLICT OF INTEREST DECLARATION

None.

UNFINISHED BUSINESS

None.

PUBLIC HEARINGS

None.

NEW BUSINESS

1. Focus Group Event – Defense Manufacturing Assistance Program

Vicki Schwab from the Delta County Economic Development Alliance explained that the discussion to take place will help to identify potential projects to strengthen the region, and to look for economic drivers to mitigate the adverse results of Department of Defense downsizing for companies impacted by the loss of defense contract revenue or those companies wanting to diversify in becoming a defense contractor. Vicki then introduced Carmen Wells Quigg and Pam Weiss Project Mangers from the Defense Manufacturing Assistance Program at the University of Michigan.

Carmen Wells Quigg explained that there are two (2) components to the program being discussed 1.) Community Engagement component and 2.) Company Engagement component.

Carmen Wells Quigg welcomed answers for the question “What Impacts have you noticed or what you might expect to occur in your community as the result of reductions in Department of Defense contracts?” A list of answers from the attendees was created to include:

- Closing of Empire Mine due to lack of iron
- BRAC of KI Sawyer Airforce Base
- Power Center closing - WI Energy – Marquette
- Underutilized industrial complex – Forsyth Township
- Airport sustainability
- Customs agent – none posted
- Local businesses – restaurants, etc. losing customers - \$350M impact
- Massive blight
- Increase in drug use
- Vacant housing on KI Sawyer
- HUB Zone loss in Delta County
- National Guard or VA Programs
- Declining school enrollments
- Secondary employers effected
- Lack of access to transportation to access healthcare, food, etc.
- Lack of places to buy fresh food
- Splintering of focus – Where to put resources – Spread thin
- Manufactures – not as competitive bidding without HUB – not going after as many customers
- Infrastructure – loss of road revenue, rail structure, rural broadband/cellular
- Downsizing of Verso Paper Company
- Closing of Michigan Renewal Carbon at KI Sawyer

Carmen Wells Quigg then had the attendees work together in smaller groups to fill-out a form for further group discussion asking the question “Given the impacts that have been identified, what are local needs and desired outcomes?” A list of answers from the attendees was created to include:

NEED STATEMENT	DESIRED OUTCOMES
Broadband / Cell Service	<ul style="list-style-type: none">• Comprehensive coverage• Increased communication• More high speed
Roads / Transportation <ul style="list-style-type: none">• Class A Roads• Ship by Rail or Road	<ul style="list-style-type: none">• Four (4) lane road from Escanaba to Wisconsin• Ability for flexibility when shipping products• Multi-modal facility – Public / Private

Natural Resources <ul style="list-style-type: none"> • Mines • Domino effect on suppliers 	<ul style="list-style-type: none"> • International trade – imported steel from China • Ease EPA restrictions
Skilled Labor	<ul style="list-style-type: none"> • Attract workers • Skilled training center • Attainable fees
Growth Opportunities	Tax revenues for communities
Job Creation	<ul style="list-style-type: none"> • Employee future stability • Stronger communities / diversified manufacturing jobs
Reduce Population Loss	Stable schools, Housing, etc.
Competitive Utility Costs	<ul style="list-style-type: none"> • Lowered utility bills • Cost effective • Cheaper fuel • Dependable supply
Customs Agent	<ul style="list-style-type: none"> • Get a Customs Agent in the area
Public Safety	Dependability of roads, sewers, etc.
Regional Water/Sewer	Adequate regional system
Financing for small businesses – loss since 2008	<ul style="list-style-type: none"> • Ability for businesses to expand • Start-up Grants
Maximize existing resources for Econ Development	<ul style="list-style-type: none"> • Utilize more timber/coal • Promote Federal leasing • Reduce regulation
Deep sea ports	New business
Reduce drug addictions / Mental Health needs	Healthier workforce
Manufacturing Innovation	Greater supplier network
Local control of infrastructure decisions	Local say in road regulations and improvements
EPA Regulations come from the outside region	Local/Regional control of regulations
Mental Health support	Healthier supported workforce
More energy to the grid	
Difficulty passing mileages	
High gas prices	
Reliable freight	Cameras in areas to gain reliability
Tax structure too high	Tax structure to support existing businesses
HUB Zone loss	Reinstate HUB Zone designation
Blight on Airforce Base	Public-Private partnership

Carmen Wells Quigg then asked the attendees to help to create a list of Projects that could be done in the Region that DMAP could be used. A list of answers from the attendees was created to include:

- KI Sawyer Airforce Base Redevelopment Plan
 - Industry attraction to increase tax base
 - Removal of drug/substance dealers
 - Niche project; i.e. aircraft deconstruction
- Ease / Lower Restrictions on Natural Resource Industry to attract new business, to save industry natural resources in the region.
 - Regulatory process
- Feasibility Study – Multi-modal Center
 - Review inventory of assets, pick site, plan
- Regional Water Authority
 - Solve aquifer issues, dependable water
 - Enhance old study

- Consolidated strategy of Regional Marketing of Assets
 - Deep water port
 - Large runway
 - STZ used to identify gaps
 - Address attracting Customs Agent

- Study Workforce
 - Challenges of employers
 - Identify current inventory of training and needed expansion
 - Student attractions
 - Scholarships
 - Apprentice Programs
 - Coordinate with High Schools

- Regionalize Manufacturing Roundtable
 - Entrepreneurial ecosystem
 - Sharing resources – i.e. forklifts

- Study Manufacturing Facilities
 - Reuse plans for shifted, soon to close facilities

- Assistance with procurement process and combine forces of companies to improve strength of application for funding, contracts – i.e. Green Forces, to be more competitive outside of region
 - Expand Green Aviation Coalition
 - Resources Needed

- Strengthen aerospace and marine cluster for access to State, Federal, and International projects
 - How can local cluster reach opportunities, mapmaking, and referrals?

- Carmen Wells Quigg and Pam Weiss then had attendees vote for the projects they feel would benefit the Region the most. The top two projects that were identified were 1.) Consolidated strategy of Regional Marketing of Assets and 2.) Ease / Lower Restrictions on Natural Resource Industry.

Carmen Wells Quigg stated that in conclusion of the Focus Group Pan Wiess and herself will be creating a final report and making suggestions on projects that would work best with the DMAP program.

MEMBER ANNOUNCEMENTS AND UPDATES

None.

GENERAL PUBLIC COMMENT

None.

AUTHORITY/STAFF COMMENT AND ANNOUNCEMENTS

None.

ADJOURNMENT

Scott Erbisch adjourned the meeting at 11:08 a.m.

Scott Erbisch, Chairperson
Marquette County Administrator

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