

SEND COPIES OF MINUTES TO THE FOLLOWING:

1. *Huane Beard*
2. *Richard Coombs*
3. *Robert Clark*

Marquette County
Specific Tax Implementation Committee
Meeting
January 30, 1979

The meeting was called to order by Chairperson Clayton Anderson at 7:25 p.m.

Members present were: Clayton Anderson, Henry Schneider, Don Potvin, Jim Sodergren, Wes Larson and Sally May.

Members absent were: Harry Miron, Bill Smith and Pat Farrell.

In attendance were: Peter Empley, Peter Brown, Jamie Nazie (WLUC-TV), and Denise Roth (Sterio 100).

A motion to approve the minutes of the December 27, 1978 meeting was made by Wes Larson supported by Henry Schneider, and carried.

Chairperson Anderson explained that the purpose of the meeting was to discuss the first draft of the Committee's report to the County Board of Commissioners. The draft report had been mailed to all committee members several days in advance of the meeting.

There was considerable discussion about the title of the report and it was agreed by consensus the title should be "Summary Report of the Specific Tax Implementation Committee to the Marquette County Board of Commissioners".

There was considerable discussion regarding the content of the report. Don Potvin made numerous suggestions for corrections and additions, and both Don Potvin and Sally May requested that a reference be made to the original Study Committee and how that committee was formed. It was agreed to include that as a footnote to the report with an additional note that the Study Committee's report is on file. Comments from other committee members were received with the additions and deletions being made.

It was moved by Wes Larson, supported by Jim Sodergren and carried to accept the amended report.

It was moved by Wes Larson, supported by Henry Schneider and carried that the record show a note of appreciation to Jim Sodergren for his contribution in serving as Co-ordinator of the committee.

A motion to pay Peter Brown the \$250.00 as per agreement was made by Jim Sodergren, supported by Wes Larson and carried.

Clayton Anderson thanked members of the committee for their contribution and efforts in trying to make the Specific Ore Tax more equitable.

It was the consensus of the committee members that the County Board should consider setting up a committee to further monitor and make recommendations relative to mineral resources in Marquette County.

Motion to adjourn was made at 9:10 p.m.

SPECIFIC TAX IMPLEMENTATION COMMITTEE MEETING

Wednesday, December 27, 1978 5 p.m.

The meeting was called to order by Chairman Clayton Anderson at 5:10 p.m.

Members present were: Chairman Clayton Anderson, Don Potvin, James Sodergren, John Farrell, Henry Schneider, and Sally May.

Members absent were: Harry Miron, William Smith and Wesley Larson.

It was moved by James Sodergren seconded by Don Potvin that the minutes be approved of the meeting of December 5, 1978.

James Sodergren stated the budget has \$419.00 and it seems all outstanding bills have been paid.

Mr. Sodergren reviewed the status and the purpose for which the Marquette County Specific Tax Implementation Committee was intended. After considerable discussion it was the consensus of the members present that a final report be prepared and presented to the Marquette County Board of Commissioners and that copies of the report be placed in various libraries, clerks offices, etc. It was also suggested that Peter Brown be asked to write the report for an amount not to exceed \$250.00. Committee member Sally May suggested that a first draft be sent to committee members for their review prior to a final report.

It was moved by Pat Farrell and supported by Sally May and carried that we contract to have a final report prepared by Peter Brown for \$250.00 and that the report be completed by February 1, 1979.

Sally May gave a report on a meeting with Mary Soper and Peggy Frazier, Governors aids. Sally feels the response and the meeting was non productive and that they were of no help in getting HB 6725 vetoed.

The committee then took up the matter of a law suit against the DNR and the State Geologist for not administering the Specific Tax law properly as indicated by the Auditor Generals report. It was the concensus of the Committee that the Prosecutors office commence legal action but that perhaps this was a matter which this committee has no jurisdiction and should be properly handled by the Marquette County Board of Commissioners.

Chairman Clayton Anderson adjourned the meeting at 5:50 p.m.

SPECIFIC ORE TAX IMPLEMENTATION COMMITTEE MEETING

Monday, November 27, 1978 5:30 p.m.

The meeting was called to order by Chairman Clayton Anderson at 5:30 p.m.

Members present: James F Sodergren, Sally May, Don Potvin, Henry Schneider, & Clayton Anderson.

Members absent: William Smith, Pat Farrell, Harry Miron & Wesley Larson.

The first order of business was approval of the minutes of November 13, 1978. It was moved by Sally May, supported by Henry Schneider and carried unanimously to accept the minutes as presented.

Don Potvin gave a report on the Committee budget. The County Board of Commissioners has transferred out of the budget \$1,500.00 leaving a balance of \$838.00. It was suggested by Sally May that the Committee ask the County Board to reappropriate the \$1,500.00. It was moved by James Sodergren and seconded by Henry Schneider and carried that the report be accepted.

Jim Sodergren gave a report on HB 6725 which has been introduced by Mr. Jacobetti. Jim noted 3 changes and concerns with the bill:

1. Page 2 Lines 4, 5, 6, & 7 should not be deleted: ("Low grade iron ore mining property" means an area of mineral bearing lands estimated to contain sufficient tonnage of available low grade iron ore to maintain capacity operation of beneficiation or treatment plants for a period not exceeding 10 years, together with LAND FROM WHICH LOW GRADE IRON ORE IS MINED, etc.

2. Page 3 Line 3: The rate is reduced from 2% to 1.1%.

3. Page 5 Lines 9 - 23: The tax provided in this act shall be in lieu of AN advalorem taxes upon the TAX ON ANY OF THE FOLLOWING:

A. The low grade iron ore, or upon the

B. THE low grade iron or MINING property, or upon the

C. THE mining thereof, or the OF THE LOW GRADE IRON ORE MINING PROPERTY.

D. THE production of concentrates or other merchantable product there from or upon the concentrate or other merchantable product produced, or upon the lands IRON ORE PELLETS OR OTHER CONCENTRATED OR AGGLOMERATED PRODUCTS FROM IRON ORE PELLETS.

E. THE IRON ORE PELLETS OR OTHER CONCENTRATED OR AGGLOMERATED MERCHANTABLE PRODUCTS FROM IRON ORE PELLETS.

F. THE REAL PROPERTY occupied by or used in connection with the mining, quarrying, transportation, and beneficiation or the ore and shipping of a merchantable concentrate or other products therefrom IRON ORE PELLETS OR OTHER CONCENTRATED OR AGGLOMERATED MERCHANTABLE PRODUCTS FROM IRON ORE PELLETS.

The above changes, particularly Section F., needs clarification in regard to the Power Plants in Marquette.

It was moved by Sally May and supported by Henry Schneider and carried that payment of expenses for the trip to Lansing by Anderson, Potvin and Sodergren, on November 21, 1978, be approved.

* Those words underlined are words deleted and which are in the original specific tax law.

Discussion took place on the appearance of Mr. Jacobetti on "Camera Six".

After discussion it was the concensus of the Committee that HB 6725 is not a good bill and needs further study and clarification. It was moved by Sally May and supported by Henry Schneider and carried that the committee do what it can to defeat HB 6725 and authorize members Clayton Anderson, Don Potvin, and Jim Sodergren to attend the House Taxation Committee meeting in Lansing at 9 a.m. on November 29, 1978.

A motion to adjourn the meeting was made by Henry Schneider and seconded by Sally May at 7:15 p.m.

SPECIFIC TAX IMPLEMENTATION COMMITTEE MEETING

Monday, November 20, 1978

A Specific Tax Implementation Committee Meeting was called for Monday, November 20, 1978 at 7 p.m.

Due to lack of quorum the meeting did not take place.

SPECIFIC ORE TAX IMPLEMENTATION COMMITTEE MEETING

Monday - November 13, 1978

The meeting was called to order by Chairman Clayton Anderson at 5:30 p.m.

Members present: James Sodergren, Henry Schneider, Sally May, Don Potvin and Clayton Anderson.

Members absent: Pat Farrell, Harry Miron, Wes Larson, and William Smith.

In attendance: Tom Solka from the Prosecuting Attorneys office.

The first order of business was approval of the minutes of September 20, 1978 committee meeting. It was moved by Sally May, supported by Jim Sodergren and carried unanimously to accept the minutes as presented.

A communication was received from Senator Mack thanking the committee for the report on the Specific Ore Tax Hearings held on August 23, 1978.

Sally May will be requesting a report of the August 16th meeting of the Upper Great Lakes Regional Commission Meeting.

Mr. Tom Solka gave a report of the "Interpretation of 10 year proviso of Section 1 (b) of the low grade iron ore tax (MCLA 211.621)". Copies of the report have been distributed to all members of the committee.

Henry Schneider reported to the committee his rational as to the value of the ore bodies which are in excess of 10 years of production. He used the Tilden Mine as an example. It was the concensus of the committee that steps be taken to further investigate the value of known ore reserves and to place them on the advalorem roll.

After discussion it was moved by Don Potvin and supported by Henry Schneider and carried that the committee recommend to the County Board of Commissioners that they request the State Geologist make an appraisal of known or proven ore reserves at the Republic Mine, Tilden Mine, Empire Mine and the Cascade project.

A motion was made by Jim Sodergren and seconded by Sally May and carried that the committee recommend to the County Board of Commissioners that they request from the State Geologist, under the Freedom of Information Act, any and all information regarding the size of the ore bodies together with the drilling records on the Republic, Tilden, Empire, and Cascades properties.

A motion was made by Jim Sodergren and seconded by Don Potvin and carried that the County Board of Commissioners request, under the Freedom of Information Act, from the Auditor General a copy of the Audit which was done by their office in Marquette County. If a final report has not been completed then a request for work sheet data should be made.

It was moved by Sally May, supported by Jim Sodergren that the meeting be adjourned at 6:55 p.m.

Specific Ore Tax Implementation Committee

6 p.m. meeting

September 20, 1978

The meeting was called to order by Chairman Clayton Anderson at 6 p.m. Members in attendance were: Sally May, Henry Schneider, Jim Sodergren, Don Potvin, Clayton Anderson and Pat Farrell.

Absent members were: Wesley Larson, Bill Smith and Harry Miron.

Minutes of the last meeting were read by Jim Sodergren. A motion was made by Don Potvin and seconded by Henry Schneider to approve the minutes.

A motion was made by Don Potvin and seconded by Pat Farrell to authorize payment of \$100.00 for the rental of Thimmes Hall, which was used to hold the Specific Ore Tax hearings.

Mr. Sodergren stated there is a balance of \$2,480.01 in the Committee budget.

A communication was received from Mr. Richard Rousch, Assistant Attorney General's Office, in regard to an opinion he had rendered to Mr. Jacobetti.

A report on the local hearing was presented by Mr. Sodergren. Mr. Sodergren presented the members with a first draft summary of the hearing. Corrections and changes were made. The committee decided to send copies of the final summary to: Mr. Jacobetti's Iron Ore Legislative Committee, all candidates seeking office, the Governor, County Board members, Specific Ore Tax Committee members, Mr. John Kelley, and the news media.

Mr. Sodergren reported that Mr. Solka has sent a letter to Mr. John Kelley of C.C.I. requesting that he meet with the Prosecutor, Henry Schneider, and Jim Sodergren relative to the interpretation of 211.621 and also the ore body assessment.

Mr. Sodergren reported that the price of pellets has been increased once again from \$37.50 to \$39.00 per ton.

A motion was made by Jim Sodergren, seconded by Pat Farrell to adjourn the meeting, the time being 7 p.m.

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SPECIFIC ORE TAX IMPLEMENTATION COMMITTEE MEETING

Minutes - August 2, 1978

Meeting was called to order by Chairman Clayton Anderson at 6:05 p.m.

PRESENT: Henry Schneider, William Smith, John Farrell, James Sodergren, Don Potvin, and Clayton Anderson. Jeff Eaton of the Mining Journal and Sue Studley of WDMJ were in attendance.

ABSENT: Sally May, Harry Miron, and Wesley Larson.

QUESTIONAIRES: Mr. Sodergren said response was not good. Answers were received from: Phil Powers, Keith McLeod, Zolton Ferency, Joe Rossi, Theodore G. Albert, Sen. Wm. B. Fitzgerald, John Watanen, Jr. and Herbert Stephens. After discussion it was moved by Bill Smith and seconded by Don Potvin to send the local news media copies of the candidates responses.

LOCAL HEARINGS ON IRON ORE SPECIFIC TAX: Mr. Sodergren reported that the committee has not received an official notice from Rep. Jacobetti regarding the cancellation of Legislative hearings, although the Mining Journal stated on July 25th that the legislative hearings had been canceled. Mr. Potvin made a motion to schedule a hearing for the middle of August/supported by Mr. Farrell. Chairman Clayton Anderson appointed James Sodergren to set up the meetings. Mr. Sodergren will set up the time and place and let the Committee know as soon as possible. Notice to the public will also be given. Mr. Sodergren will check on the rules for recording the Testimony.

PRELIMINARY REPORT ON POSSIBLE MINING INDUSTRY TAX LIABILITY:

Mr. Schneider and Mr. Sodergren have contacted the State Geologist Mr. Bob Reed, and the State Property Tax Administrator, Mr. Ed Kane for information regarding the size of the ore bodies so that a preliminary report on possible tax liability can be made.

Mr. Farrell made a motion to adjourn, seconded by Bill Smith.

Meeting adjourned at 7: p.m.

Minutes - July 20, 1978

PRESENT: Wesley Larson, Don Potvin, Henry Schneider, James Sodergren and Clayton Anderson.

ABSENT: Sally May, Harry Miron, William Smith and John P. Farrell.

A motion was made by Wesley Larson to accept the minutes of the June 6th meeting. It was seconded by Don Potvin, Motion carried.

COMMUNICATIONS:

Jim Sodergren received a letter from the Dickenson County Board of Commissioners.

A letter was received from Joseph Mack stating he cannot attend the meeting in Minnesota.

A letter was received from Phil Power, candidate for U.S. Senate expressing his feelings relative to the iron ore tax and the Steel Industry.

A letter was received from Fred Vanladen, Ely-Tilden Township Assessor. This letter was sent to Ken Touminen and is a report regarding the auditors questions on Specific Tax.

REPORT ON MINNESOTA TRIP

Ten members from the Marquette Area attended the meetings in Minnesota. Those in attendance were Dominic Jacobetti, Harry Miron, James Sodergren, Ishpeming City Mayor Bruce Saari, Negaunee City Mayor Nick Joseph and members of the news media.

Governor Perpich spoke, as did

Fred Sina, who was responsible for writing the Minnesota iron ore legislation.

Don Potvin stated Minnesota would welcome us to have a tax like theirs.

REVIEW OF SPECIFIC TAX LAW 211.621

Gary Walker, Mgt. Co. Prosecuting Attorney, spoke on 211.621 and what he felt the law meant. He stated he would have to do more research on the subject before an opinion could be made. Gary Walker will try to get an opinion from the Attorney General.

A motion was made by James Sodergren and supported by Wesley Larson to request from the State Geologist his interpretation of 211.621 Paragraph B.

A motion was made by Don Potvin and supported by Henry Schneider to recommend to the Marquette County Board of Commissioners that the Prosecutors Office provide an opinion to the County Board as to the applicability of 211.62.

Mr. Walker left the meeting.

A motion was made by James Sodergren and supported by Henry Schneider to direct the Treasurers office and County Equalization Director to determine the amount of taxes owed for 1977 and 1978, taking into account that portions of the ore body which is not exempt from the specific tax laws.

POSITION OF LEGISLATIVE CANDIDATES ON IRON ORE TAX

A motion was made by Wesley Larson and supported by Henry Schneider to send a letter to Legislative Candidates asking them to respond by July 31, 1978 on two questions regarding the Specific Ore Tax and the use of domestic pellets. Their response will be made available to the public.

NEW BUSINESS: A motion was made by Wes Larson supported by Don Potvin recommending to the County Board of Commissioners that the auditors report be made available upon its completion. A motion was made by Henry Schneider supported by Jim Sodergren to send a letter to the Auditor General asking for the report with copies to be sent to local Legislators and Governor.

A motion was made by Jim Sodergren to send a letter to Jacobetti asking when the next Specific Ore Tax legislative hearing will be scheduled. Seconded by Don Potvin. Motion carried. Copy to go to the County Board of Commissioners.

Mr. Sodergren was asked to schedule the next committee meeting for the first week in August.

Henry Schneider made a motion to adjourn, seconded by Mr. Sodergren.

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SPECIFIC ORE TAX IMPLEMENTATION COMMITTEE MEETING

Minutes - June 6, 1978

PRESENT: Henry Schneider, Jim Sodergren, Clayton Anderson, Don Potvin, Bill Smith.

ABSENT: Sally May, Harry Miron, Pat Farrell, Wes Larson.

A motion was made by Bill Smith to approve the minutes of the March 26, 1978 meeting, it was seconded by Don Potvin. Motion carried.

COMMUNICATIONS:

Jim Sodergren received a letter from Frank V. Ongaro, Commissioner of the Iron Range Resources and Rehabilitation in Eveleth, Minnesota stating that June 19, 1978 will be the date set for a meeting regarding Iron Ore Mining in Minnesota. A copy of the letter is available in Jim Sodergren's office.

Jim Sodergren will send a letter to the following people extending an invitation to attend the meeting in Eveleth, Minnesota on June 19, 1978:

1. Dominic Jacobetti & Committee
 2. Governor's Office
 3. Ron Cardoni, City Manager of Negaunee
 4. Paul Gravedoni, Local Union 4950
 5. Harry Miron, Local Union 5440
 6. Linus Wampler, Director, District 33 U.S.W.A.
 7. Sen. Fitzgerald
 8. Governor Milliken
 9. Clayton Anderson
 10. Don Potvin
 11. Jim Sodergren
 12. Press
- } will represent Specific Tax Committee

Jim Sodergren inquired about flight prices:

NORTHERN AIRMOTIVE

Single Engine, 5 passenger,	\$234.00
Twin Engine, 5 passenger,	312.00
Waiting time	8.00/hour

MARQUETTE EXEC-AIR

5 passenger,	\$335.00 + 4% tax
7 passenger,	460.00 + 8% tax
Waiting time: (will allow 3 hours)	10.00/hour

Bill Smith made the motion that the committee authorize transportation for three people to fly to Minnesota in a private charter in accordance with flight costs given by by Jim Sodergren. Don Potvin seconded it. Motion carried.

LEGISLATIVE HEARINGS:

Jim Sodergren reported that at this time there are no dates set for future hearings.

COMMITTEE HEARINGS:

It was the consensus of the committee that the Committee Hearings should not be in competition with the Legislative Hearings and that the scheduling of Committee Hearings be postponed.

OLD BUSINESS:

Jim Sodergren reported to the committee that the Superior Conference was attended by Don Potvin, Harry Miron and himself and that all the members of the committee should have received a report on the conference.

Henry Schneider made the motion to adjourn the meeting at 8:00 P.M., Bill Smith seconded it, motion carried.

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MARQUETTE COUNTY
SPECIFIC TAX IMPLEMENTATION COMMITTEE

Clayton Anderson
Pat Farrell
Wes Larson
Sally May
Harry Miron

Don Potvin
Henry Schneider
Bill Smith
Jim Sodergren

April 5, 1978

PROGRESS REPORT TO THE BOARD FROM THE SPECIFIC TAX IMPLEMENTATION COMMITTEE

Ladies and Gentlemen:

At the March 21, 1978 meeting of your Specific Tax Implementation Committee, it was agreed that the time had come for the Committee to submit a progress report for your information.

BACKGROUND

As you know, our Committee was formed by the Board to implement the recommendation of a previous Specific Tax Study Committee. That Study Committee, representative of various interests within the community, worked for a full year on the question of whether or not the specific tax was equitable as compared to the property tax, for which it is a substitute. The Study Committee concluded and reported to the Board on November 1976, that the Specific Tax is not equitable and that an unfair burden is being placed on the property taxpayer, who is, in effect, subsidizing the mining industry. Their recommendation was that the mining industry should be paying the present 2% rate on the value of the product they are actually shipping (pellets), rather than on the value of old range non-bessemer ore, which is no longer shipped. In addition, they recommended that the rate should be tied to the property tax rate so that, in future, when the property tax rate increases, so will the specific tax rate. They pointed out that while this change would come somewhat short of the mining industry paying their equal share of taxes, it would help to reduce the present inequity. Since the Study Committee's charge was to study the issue only, and not to consider the politics of the matter, their work was finished upon submitting their findings and recommendations.

So, on April 28, 1977, our Committee was formed and charged with the responsibility of convincing the State Legislature to change the specific tax formula according to the Study Committee's recommendations.

STEPS TAKEN TO IMPLEMENT RECOMMENDATION AND PROGRESS TO DATE

Our first step, of course, was to contact our Upper Peninsula State Legislators -- particularly Senator Mack and Representative Jacobetti. However, to date, in spite of numerous efforts on our part, they have not consented to meet with us to discuss the matter. We have, however, been able to meet with other legislators and State staff people, including Senator Fitzgerald, Representative Montgomery (Chairperson of the House Taxation Committee), Senators Derenzinski and Anderson, Gerald Miller (Director of the State Office of Management and Budget), and several of the Governor's staff. In virtually all of these discussions it was pointed out to us that Representative Jacobetti could get a change in the tax through the Legislature with little difficulty, if he chose to do so; and conversely, that he could effectively prevent any change if he wished. We know that Representative Jacobetti is opposed to any change -- (he has said so and all of his actions to date tend to bear that out.) Frankly, we cannot understand why he should oppose it, since he has very recently come out protesting the burden placed on the property taxpayer. At any rate, without any help or support from our Upper Peninsula legislators, we felt that it was necessary to generate popular support for the change. With that goal in mind, we have made presentations to various groups and organizations throughout the UP. Some of the following organizations which have gone on record in support of the change:

United Steel Workers of America
District 33: Representing 33,000 members
Local Unions: 4950, 5440, 2912, 4973
Marquette County Labor Council AFL-CIO
AFSCME Republic Michigammi School District
Marquette County Board of Commissioners
Baraga County Board of Commissioners
Iron County Board of Commissioners
Iron County Democratic Party
Menominee County Democratic Party
Marquette County Democratic Party

At the same time, the mining industry has been lobbying hard with our State Legislators and local groups and organizations to gain support for their position that the tax should not be changed. The following organizations have gone on record against any change:

Chambers of Commerce
School Districts Receiving Specific Tax
(except Michigammi Republic)
Dickinson County Board of Commissioners
Dickinson County Board of Road Commissioners

We have been courteously received wherever we have made presentations, except by the State Legislative Committee chaired by Representative Jacobetti. At each of these hearings people testifying in favor of changing the tax were extensively and sometimes rudely questioned and cross-examined. However, those who spoke in support of the mining industry's position for no change were treated courteously and were questioned very little. We had hoped that one of the first hearings would be held in Marquette County, since that is the source of the request for change. However, Representative Jacobetti has said that he does not want to hold a hearing here until all of the members of his Committee can be present and that may not be for some time.

PUBLIC RESPONSE

In the meantime, many Marquette County citizens have become interested in and supportive of the proposed change and have contacted individual committee members with both questions and suggestions. Some of the suggestions were to increase the 2% rate, to give each County Board the authority to set the rate in their county, or to put the mining property back on the property tax. The questions we are frequently asked concern distribution, which as you know was not considered by the Study Committee. Our Committee has discussed distribution however, and feel that the present level distribution should remain unchanged with any additional revenues, as a result of an increase in the tax, perhaps going to the County homeowner in the form of an iron ore tax credit.

We have also received input from the general public on the issue through a question placed on the Property Tax Reform Questionnaire recently sent out by the County Property Tax Reform Committee. We understand that the Property Tax Reform Committee hopes to have results of the questionnaire compiled soon and will report to the Board when that is accomplished.

CONCLUSION

As time passes and nothing is done to change the specific tax, while the property taxpayer's assessments go up year after year, and mining related community needs become more expensive, we are convinced that it is absolutely necessary that we vigorously continue our efforts to convince the State Legislature to change this tax. We are also absolutely convinced that Marquette County citizens should have an opportunity to make their voices heard in a meaningful way on this most important issue. For this reason, we are requesting the Board's permission to hold a number of public hearings throughout Marquette County on this issue. It would be our intent to present the Board's position at the hearings, to receive all comments both for and against the issue, and to carefully record all such comments for transcription. This information could then be provided to you and to our State Legislators. Members of the Committee have indicated their willingness to donate their time to conduct such hearings.

We appreciate this opportunity to report to you and wish that we could report that our task has been completed. However, there is still much work that must be done. We look forward to receiving further direction from you.

Respectfully,

SPECIFIC TAX IMPLEMENTATION COMMITTEE

SPECIFIC TAX IMPLEMENTATION COMMITTEE MEETING

Minutes - March 26, 1978

PRESENT: Jim Sodergren, Henry Schneider, Sally May, Pat Farrell, Don Potvin, Clayton Anderson.

ABSENT: Bill Smith, Harry Miron, Wes Larson.

GUESTS: Rudy LaFreniere, USWA Local 4950 and Jim Alderton, County Board.

Meeting was called to order by Jim Sodergren at 5:16 P.M.

A motion was made by Sally May and seconded by Pat Farrell to approve the minutes of the March 22, 1978 meeting after two corrections were made. Motion carried.

1. Under Communications - last paragraph should have read, A letter from Ron Cardoni indicating some of the needs relative to the City of Negaunee.
2. Under Houghton Hearing - Omit #4.

COMMUNICATIONS:

1. Notice was received of the Public Hearing to be held at the Ramada Inn, Friday, May 5th at 10:00 A.M. Hearing will continue til everyone registered before 3:00 P.M. is heard. Purpose of the hearing is to receive all comments regarding the mining industry taxes.
2. Letter from Art Roemer regarding accounting and distribution of tax monies for 1977. Letter available from Jim Sodergren.
3. Sally May received information from Chocolay Township Board saying they passed resolution supporting Marquette County Board of Commissioners stand on increasing the tax. They will also be making a presentation at the legislative hearing.
4. Sally May received from the Marquette County Board of Commissioners, a letter giving the Specific Tax Committee approval to have hearings.

LEGISLATIVE HEARINGS:

Hearings will be held May 5th, 1978 at the Ramada Inn, Marquette, MI.

Clayton Anderson will speak on behalf of the Committee.

Jim Sodergren will report on some of the testimony made by others at previous hearings.

Sally May will speak on behalf of the Marquette County Board of Commissioners.

Henry Schneider will speak on the Minnesota mining structure, tax break, and that high tax in Minnesota has not hurt their expansion.

Pat Farrell will attend and be available for comment. He will cover needs of services.

Don Potvin asked that he be assigned a topic to discuss.

Jim Sodergren said he would contact the following news medias - WDMJ, WLUC, Sunday Sun, and the Mining Journal.

Don Potvin said he would contact Stereo 100 and WUPY.

Don Potvin made a motion that Jim Sodergren use his own discretion and put an ad in the Mining Journal on Thursday, May 4th, if he feels that coverage is not good enough. Pat Farrell seconded it, motion carried.

SPECIFIC TAX IMPLEMENTATION COMMITTEE MEETING
PAGE 2
APRIL 26, 1978

Jim Sodergren asked Rudy LaFreniere if he could put something in the union newspaper. Rudy said he could but it may be too late. Rudy also said he could put something on the bulletin boards at the following places regarding all facts pertaining to mining:

1. Mather Mine
2. Empire Mine
3. Tilden Mine

A motion was made by Don Potvin and seconded by Henry Schneider that the hearings be held on a local level and that a sub-committee set up the dates for three public hearings. Motion carried.

REGIONAL MEETING ON MINING RESOURCES:

Jim Sodergren talked to several people while in Minnesota. He reported that Minnesota and Wisconsin were preparing a report of mutual concern relative to mineral resources.

A regional meeting also will be held in Rhinelander, May 18 and 19, 1978.

A motion made by Don Potvin that Jim Sodergren be authorized to attend the meeting in Superior was seconded by Pat Farrell. Motion carried. Jim Sodergren was to check into the expense of the trip.

PUBLIC COMMENT:

Jim Alderton expressed a concern in regard to the poor relationship that has developed between the County Board and Rep. Jacobetti.

Pat Farrell made a motion that Chairman Anderson send a letter to Mr. Jacobetti in an effort to open up a line of communication. Don Potvin seconded it and the motion was carried.

Motion was made by Pat Farrell to adjourn the meeting at 7:00 PM, seconded by Don Potvin, motion carried.

SPECIFIC TAX IMPLEMENTATION COMMITTEE MEETING

Minutes - March 22, 1978

PRESENT: Clayton Anderson, Henry Schneider, Pat Farrell, Sally May, Jim Sodergren, Harry Miron, Don Potvin.

ABSENT: Wes Larson, William Smith.

Meeting was called to order at 6:28 PM, by Chairman Clayton Anderson.

The minutes of the January 11th meeting were read by Jim Sodergren. A motion made by Henry Schneider to approve the minutes, Jim Sodergren second it. Motion carried.

COMMUNICATIONS:

A letter from Senators Ruppe and Riegle, Congress of the United States, regarding Steel Company's Foreign Ore Interest.

A letter from Moody's Industrial Manual - letter is available in Jim Sodergren's Office.

A report sent to Phil May from Professor Dow, University of Montreal, regarding inter-relationship steel companies have in the world, report available from Jim Sodergren.

A letter from Keith McCloud, regarding loans on homes in Marquette County or the Upper Peninsula. Mr. McCloud stated that certain criteria is necessary to get a loan, this letter is also available from Jim Sodergren.

A letter from Ron Cardone, City Manager of Negaunee asking Jim Sodergren for Needs Study. Mr. Cardone also enclosed a copy of a letter he wrote to Dominic Jacobetti.

GENERAL INFORMATION:

Jim Sodergren reported that he did receive Ishpeming's Need Study.

HOUGHTON HEARING:

Jim Sodergren gave a brief summary of what went on at the Houghton Hearing. Nobody from Industry made a statement indicating that the Iron Ore Tax should not be changed. Several asked for increase in Iron Ore Tax. Governor Milligan and Dr. Miller said we can expect a change in the base. It was discussed why the meetings were held in Houghton.

Harry Miron made a motion to direct a report to County Board based on the input of the Committee, Pat Farrell second it. Motion carried. A few items were suggested to put in the letter to the Board.

1. Give the Board a history of what we've been doing as a Committee.
2. Report on the hearings.
3. Suggest alternatives that would achieve equity.
4. Suggest the County Board set new rate.
5. Consider an Iron Ore Tax credit to home owners.

Jim Sodergren, Henry Schneider and Sally May will all help in gathering information for the letter.

Motion was made to adjourn at 8:54 PM by Jim Sodergren, Pat Farrell second it. Motion carried.

SPECIFIC TAX IMPLEMENTATION COMMITTEE MEETING

Minutes - January 11, 1978 - 7:00 PM

PRESENT: Clayton Anderson, Jim Sodergren, Henry Schneider, Pat Farrell, William Smith.

ABSENT: Sally May, Harry Miron, Wes Larson, Don Potvin.

Meeting was called to order by Chairman Clayton Anderson.

A motion was made by Jim Sodergren to approve the minutes of the January 6th meeting, Pat Farrell second it. Motion carried.

REVIEW STATEMENTS FOR PUBLIC HEARING:

Jim Sodergren said he would check to see if a transcript would be available of the public hearing and also inquire about the cost.

Jim Sodergren reported to the committee that he did reply to the Iron County Controller.

Jim Sodergren will speak on all aspects on iron ore mining.

William Smith will speak on the relation on mining and the community.

Pat Farrell will speak on County needs.

Henry Schneider will speak on the Minnesota mining structure, tax break, and that high tax in Minnesota has not hurt their expansion.

Clayton Anderson will speak on behalf of the committee, as chairman. He will cover present legislation, distribution of formula, tell about how the study committee was formed by the Board and how they were selected. County Board endorsing the majority of the report, setting up Specific Tax Implementation Committee.

William Smith said each of the committee speakers should end their speech asking why the public hearing is to be held in Iron Mt. and that if it were held in Marquette local residents would have an opportunity to comment.

Jim Sodergren reported the names of those people appointed to serve on the legislative committee, they are:

REPRESENTATIVES

Jacobetti
Gingrass
Hellman
Varnum
Owen
O'Neill
Geerlings

SENATORS

Faust
O'Brien
Derezinski
Toepp
VanderLaan
Mack

Jim Sodergren made the motion to adjourn the meeting at 8:35 PM, Pat Farrell second it. Motion carried.

Specific Tax Implementation Committee Meeting
November 11, 1977 - 2:00 P.M.

Present: Anderson, Schneider, Sodergren, Farrell, Potvin, and May

Absent: Miron, Larson, and Smith

MINUTES

The Minutes of the previous meeting were approved as distributed.

REPORT ON LANSING TRIP

Sodergren and Anderson reported on their trip to Lansing on behalf of the Committee. Senator Fitzgerald's assistant, David Haynes, made all the necessary arrangements for the trip, securing appointments, meeting them at the airport, etc.

Their agenda included a meeting with Representative Anderson to discuss his H.B. 4982 which deals with environmental and taxation issues having to do with mining. Rep. Anderson explained that he has separated the two issues - environment and taxation. The taxation portion will be introduced to the House Taxation Committee as soon as possible. Presently that Committee is busy with Single Business Tax matters. He also indicated that he will talk to Jacobetti about the Bill and will suggest that the Bill be included in the hearings Jacobetti has said he will conduct on the mining industry.

Anderson and Sodergren asked Rep. Anderson not to tamper with taxation on underground mining due to the marginal nature of the operations.

Rep. Anderson was apparently not aware that the unions are in favor of increasing the specific tax and asked for copies of the Steelworkers resolution and the letter of support from Linus Wampler. (This has been done).

Senator Anthony Derenzinski was also contacted. While he did not commit himself to an increase in the tax, he said he was convinced that there was inequity and some change was needed. He asked for a map of all lands that would be exempt.

Representative George Montgomery, Chairperson of the House Taxation Committee, was seen but was not at all helpful. The lobbyist for the mining industry was leaving Montgomery's office as Anderson and Sodergren arrived, and Montgomery told them that he is opposed to any change. However, he said that he had asked the lobbyist (Jim Goulette) to go back to the mining industry and come up with something that would be acceptable to them.

A meeting was also held with representatives of the Department of Management and Budget. Those attending were: Robert Kleine, Director of the Office of Revenue and Tax Analysis, Patricia Cole, Special Assistant to Gerald Miller, and Janet Kintzer, State/Local Division Office of Inter-governmental Relations.

Kleine indicated that they had met with mining representatives and that the mining industry was willing to support a change in base but with a proportionate decrease in rate. They emphasized that there were greater costs to produce a ton of pellets in Michigan. This point was debated by Sodergren and Anderson, showing lower costs in Michigan than Minnesota in some important areas. Sodergren also pointed out that the mining industry refused to submit their cost sheets to back up their arguments that costs are higher in Michigan. Sodergren asked if the Governor's from the three states (Michigan, Minnesota, and Wisconsin) would meet to discuss mining and Cole indicated that she would pose that question to the Governor.

Kleine seemed to keep pressing for a justification of need for the extra revenue an increase in the tax would bring, and didn't seem to be so concerned with the inequity of the tax. Sodergren suggested that if the specific tax could not be increased to achieve equity, then a royalty tax should be imposed.

Following discussion on the report, it was moved by Potvin, supported by Farrell, that the Committee send a letter of thanks to Senator Fitzgerald for all the help his aide David Haynes provided to the Committee, with a copy of the letter to go to Haynes. The motion carried.

It was then moved by May, supported by Farrell, that the Committee go on record in favor of Anderson's bill. Motion carried. (Copy of Anderson's bill attached to these minutes).

The Committee then discussed information that should be compiled and graphics that should be drawn to assist in presenting the Committee's position. Farrell agreed to color a map to represent lands that are under specific tax, Commercial Forest Reserve lands, State lands, and lands held by NMU and MSU. Farrell and Sodergren will work together on a needs assessment.

COMMUNICATIONS

From: SENATOR RIEGLE, in response to a request for assistance, stating that the matter would ultimately be decided in the State Legislature and that he could provide no assistance at this time, but perhaps at a future date.

DAVE DEROCHE stating that the Iron County Planning Commission has unanimously passed a resolution in support of a change in the specific tax and will make a recommendation to the Iron County Board to do the same.

PAUL GRAVENDONI to the Mining Journal regarding an article that appeared in Business Week, titled "Why Money Flows from Iron Ore". Sodergren indicated that this is a most informative article. (Copy of the article attached to these minutes).

JIM CLANCY to Mining Journal arguing that Minnesota and Michigan cannot be compared and pointing out that Minnesota taxpayers are not benefiting from the tax structure there. After some discussion the Committee decided that it would be better to plan for some paid advertising -- perhaps to appear when Rep. Anderson's bill is being considered -- that will clearly indicate that the Committee's information on Minnesota is correct.

FINANCIAL REPORT

Moved by Potvin and supported by Farrell that the financial report be accepted.

NEW BUSINESS

Because many of the legislators downstate are not aware of the broad support for a change in the specific tax, the Committee decided to send copies of the SUN articles and editorial in support of a change in the specific tax, to the House and Senate Taxation Committees and the Governor.

An invitation was received from the Delta County Board to speak to them on December 6, at 7:30 P.M. Burt Boyum of CCI will also be at the meeting to present the mining industry's side of the specific tax issue. It was agreed that Potvin would go, that Smith would be asked to go. Also, Sodergren will attend and, if possible, Anderson.

Motion by Farrell, supported by Sodergren to send a letter to all those who were contacted on the Lansing trip, thanking them for their time and consideration. Also a letter to Rep. Anderson pledging support of his bill and urging him to call for no change on underground mining taxation. Copies of this letter to be sent to the media as a press release (U.P. wide). Motion carried.

Specific Tax Implementation Committee Meeting
November 11, 1977 - 2:00 P.M.

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Potvin proposed that Anderson be put on per diem by the Committee to press for active endorsement from local unions. Anderson declined.

Motion by Potvin, supported by Schneider, to adjourn. Motion carried.

Respectfully submitted,

Sally May

SM/ab

Attch.

Specific Tax Implementation Committee Meeting
September 30, 1977 - 6:30 P.M.

Present: Miron, Schneider, Sodergren, Anderson and May

Absent: Larson, Potvin, Smith and Farrell

The meeting was called to order immediately following a brief discussion with Senator William Fitzgerald. Those in attendance at the meeting with the Senator, besides Committee members were: David Haynes, Assistant to the Senator, and Tom Baldini.

COMMUNICATIONS:

Sodergren presented the following communications for consideration and discussion- - -

1. Response from David N. Skillings, Jr., Publisher and Editor, of Skillings' Mining Review to inquiry by Henry Schneider regarding the setting of the price of Old Range Non-Bessemer Ore. According to the communication (a copy attached to these minutes) Cleveland Cliffs Iron Company is the only company to ship this product and therefore sets the price.
2. Copy of a letter from Linus Wampler, United Steelworkers District #33 President, to Charles Younglove, United Steelworkers District #29 President, informing him of Wampler's support of a change in the Specific Tax formula and asking for his support of same. Also a follow up letter from Sodergren, on behalf of the Committee, to Younglove regarding the Committee's position and pledge to provide any information, assistance, etc.
3. Letter from Sodergren to State Representative Anderson regarding H.B. 4982 expressing concern that this bill will repeal the Specific Tax altogether and explaining that the Committee's position is for no change on underground operations due to the marginal operation of this type of mine. Sent recommendation of Committee but have received no reply as yet.
4. Copy of a resolution from the Dickinson County Road Commission to Milliken and others opposing a change in the Specific Tax.
5. Letter to the Committee from Osmund Kemp, Recording Secretary of the Marquette County Labor Council, indicating that it would not be possible to provide the Committee with mailing addresses of AFSME locals.
6. Copy of a resolution from Baraga County Board of Commissioners in support of a change in the Specific Tax.

NEW BUSINESS:

Sodergren reported that the Committee has received a copy of "Introduction to the Subject of Assessment Valuation of Taxable Iron Mining Properties" and "A Critique of the Michigan System of Iron Ore Mining Property Valuation As It Has Evolved Since 1910". These materials were received from the Iron County Democratic Party. Moved by Sodergren, supported by Schneider to approve \$27.60 be sent to the Iron County Democratic Party to reimburse for the duplicating costs on these materials. Motion carried unanimously.

OLD BUSINESS:

There was some discussion on the advisability of meeting with Representative Anderson and others, if possible, to explain the Committee's position on the Specific Tax. It was moved by Miron, supported by May and unanimously carried, that Sodergren be authorized to set up such a meeting as soon as possible.

Sodergren asked if the Committee should contact the unions now. It was the consensus of the Committee that this should be done and that various materials be sent to them for their information.

REPORTS:

Anderson reported that the County Board has sent a follow up letter to Representative Jacobetti regarding the proposed hearings on the Specific Tax, since no reply has been received to the Board's first letter of inquiry.

Sodergren reported that he has written to John Pavlovich, Chairperson of the Gogebic Democratic Party, about making a presentation to their group. Mr. Pavlovich phoned in reply saying that he will firm up a day and time for such a presentation as soon as possible.

Anderson informed the Committee that Joe Racine has distributed the Specific Tax Committee's brochures to a number of people in the Gwinn area, and as a result these people have asked to hear a presentation by the Committee. Racine will help to arrange such a meeting at the Committee's request.

There being no further business to come before the Committee, the meeting was adjourned at 7:15 P.M.

Respectfully submitted,

Sally May
Secretary

Skilling's Mining Review

210 SELLWOOD BUILDING

DULUTH, MINNESOTA 55802 U.S.A.

PHONE: 218 - 722-2310

September 29, 1977

Mr. Henry W. Schneider
Director
Tax Equalization Department
County of Marquette
Marquette, Michigan 49855

Dear Mr. Schneider:

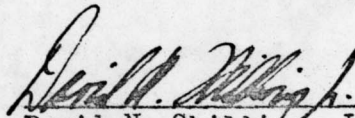
In reply to your letter of September 8, I think that perhaps the only producers of Old Range Non-Bessemer ore are the Mather mine of The Cleveland-Cliffs Iron Company and the Sherwood mine of Inland Steel Mining Company.

I believe that most of the Mather ore is purchased by Bethlehem Steel Corporation and, of course, the Sherwood ore is purchased by Inland Steel Company.

In our issue of January 15, the current price of Old Range non-bessemer ore is \$21.43 per gross ton basis, 51.50% iron natural, was established by Cleveland-Cliffs, which is the principal producer.

I hope that the above information is useful.

Yours very truly,



David N. Skillings Jr.
Publisher and Editor

DNS:t

Published Every Saturday Morning

Specific Tax Implementation Committee Meeting
September 7, 1977 - 1:00 P.M.

Present: Anderson, Sodergren, Schneider, May, Smith and Farrell

Guest in Attendance: Alden Clark

Absent and excused: Miron, Larson and Potvin

The meeting was called to order by Anderson. An outline was established from which a statement will be drafted on behalf of the Committee. Mr. Anderson will make the presentation.

The Committee agreed the presentation would be made in order as follows:

- I. Present Legislation
 - A. Purpose
 - B. Formula
 - C. Lieu of Property Tax
 - D. Distribution
- II. The Study Committee
 - A. Makeup
 - B. Charge to the Committee
 - C. Findings
- III. Marquette County Board of Commissioner's position
 - A. Endorsement of Board
 1. Communication to all legislators with copies of Majority and Minority reports.
 - B. Setting up of the Specific Tax Implementation Committee
 1. Charge to the Committee
 - a. Meeting with legislators
 - b. Educate the public
 2. List organizations that have supported the increase in the Specific Tax.
 3. Request for legislator's support.
- IV. For a conclusion Farrell suggested presenting each member of the Legislative Committee with a copy of all of the material the Committee has to date.

A general discussion ensued concerning individual presentations. The following ideas were presented:

Sodergren suggested that each presentation not exceed 10 minutes. He also expressed the concern of the sequence in which committee members might be called to speak.

Members listed below will prepare presentations on the following:

Sodergren- - - tax royalties, costs such as power, grinding, etc.

Sodergren- - - response to industry presentations and cover subjects that may come up during the hearing not covered by other committee members.

Schneider- - - comparison of Minnesota and Michigan Specific Tax as it relates to Minnesota and Michigan Property Taxes.

May suggested that it would be valuable to have someone speak who can make the comparison between tax rate and tax base as they apply to the Specific Tax and the Property Tax.

Smith - - - Quality of Life

Farrell - - - Mining related Government service

Miron - - - Mining as capital intensive -vs- labor intensive, industry covering employment related information, etc. that was covered by Labor Representative Ernie Ronn in his position paper for the Specific Tax Study Committee.

May and Potvin - - - general statement with choice of subject emphasis

The Committee then agreed to the following suggestions:

Request from Sodergren to make 14 copies of all the material to date.

Smith suggested that Committee members contact community members in support of a tax change to speak at the hearings. Mr. Ben Harris, who has had some letters in the Mining Journal, was mentioned.

Sodergren asked that Schneider get information on the distribution of the Salt Tax from the Salt Mines in Wayne County.

Mr. Clark addressed some questions and comments to the Committee and indicated he feels that the mines should be paying a tax on the product actually shipped but has not yet decided the merits of the right of the County Board's position on the Specific Tax.

A motion was made by Anderson, seconded by Smith and carried that the meeting be adjourned.

Meeting adjourned at 3:30 P.M.

Specific Tax Implementation Committee Meeting
August 30, 1977 - 3:30 P.M.

Present: Farrell, May, Schneider, Sodergren, Anderson, Potvin and Smith
Others in Attendance: Edmund Thomas, Attorney and Dane Scott, Sterio 100 Radio

Absent: Larson and Miron (The two members were excused)

MINUTES

The meeting was called to order by Anderson. Sodergren made a motion that the minutes of the last meeting be approved. Potvin seconded the motion. The minutes were unanimously approved.

COMMUNICATIONS

Sodergren read a report from Schneider in regard to the assessments on mines in Arizona. Commercial and industrial properties are assessed at 25 percent of value whereas producing mines are assessed at 60 percent.

Sodergren read a letter from Klaryce M. Bilski, Iron County Clerk, in regard to the Iron County Board of Commissioner's meeting of August 9, 1977. The Iron County Board tabled the letter and accompanying brochure from the Marquette County Specific Tax Implementation Committee for further study, and agreed to invite the members of the Committee to the next regular Board Meeting on Tuesday, September 13, 1977 at 1:00 P.M. which will be held at the Iron County Courthouse, Crystal Falls. Anderson, Sodergren, Smith and Potvin will attend the meeting.

Sodergren read a letter from Keith D. Palkki, Recording Secretary, Local Union 2912, USWA saying that this union had adopted the resolution calling for a change in the Specific Tax. It was agreed, after some discussion, that the Committee should publicize the fact that Local Union 2912 has passed the resolution.

Sodergren read a letter from Joe Racine to Rep. Jacobetti asking Jacobetti if he had a report on the Minnesota Tax Program. Mr. Racine had not received an answer as of this date.

Sally May told the Committee of verbal communications:

She had heard from the Iron County Democratic Party that following Sodergren's and Anderson's presentation to them they passed a resolution calling for a change in the Specific Tax formula. Shortly after the Democrat Party had received an invitation from a mining company representative for dinner and drinks to discuss the situation. The dinner was held and the mining representative gave a presentation but the Iron County Democratic Party did not change their position.

The Goegebic County Democratic Party was very interested in having a member of the Committee speak at one of their meetings. The person to contact is John Pavlovich, a teacher from Goegebic Community College. The Committee said that they would be interested in attending a meeting and would contact Mr. Pavlovich as to when the meeting would be. May told the Committee that Mr. Pavlovich has a copy of the Majority and Minority Reports.

She had heard from the West Iron School Board. The Superintendent of the West Iron County School wrote a letter to Rep. Jacobetti asking that there not be a change in the distribution of the Specific Tax. The West Iron Schools receive \$37,000. a year tax revenue from the Sherwood Mine. This mine will close next August. Dick Pall is in charge of the publicity for the Hanna Mining Company. He and the Specific Tax Committee are invited to attend their next School Board meeting on Tuesday, September 20, 1977 at 5:30 P.M. A motion was made by Smith, seconded by Potvin and carried that the Committee attend. Sodergren, Smith and Potvin will attend.

HEARINGS

There was a general discussion on what the Committee should do to prepare for the upcoming hearings to be scheduled by Rep. Jacobetti. A motion was made by Smith, seconded by Sodergren and carried to have a meeting September 7, 1977 at 1:00 P.M. for the purpose of planning each member's position prior to the public hearings.

BROCHURES (DISTRIBUTION)

It was suggested that copies of the brochure and resolution be sent to various units of government and local unions. Harry Miron will be asked to supply the names and addresses of all local unions. A motion was made by Sodergren, seconded by May and carried that 1000 more brochures be ordered.

NEWS MEDIA

Discussion was held in regard to the seeming reluctance of some of the news media to print some of the letters to Editor from Sodergren. Further efforts and contacts will be made, if necessary, with various Editors in an effort to get the letters printed.

MEETING WITH GOVERNOR

A motion was made by Smith, seconded by May and carried that the Committee continue efforts to meet with Governor Milliken.

A. G. REPORT

The A. G. Opinion regarding Specific Tax and it's distribution has not been received. Efforts will be made to get the Opinion after which Bill Smith will study and report to the Committee.

UNITED STEEL WORKERS OF AMERICA

Efforts should continue to be made in setting up a meeting with Linus Wampler, President of Steelworkers District 33. Harry Miron will be asked to help in scheduling a meeting with him.

REPRESENTATIVE ANDERSON'S BILL

Sodergren told the Committee of a news article indicating that State Representative Anderson is writing legislation pertaining to the Specific Iron Ore Tax. A motion was made by Potvin, seconded by Farrell and carried that Sodergren first call then write to Rep. Anderson, to determine what sort of legislation he is proposing.

OTHER NEW BUSINESS

Sodergren told the Committee of a meeting he attended at the Nicolet College in Rhinelander, Wisconsin, of the Wisconsin Mineral Resources Association made up primarily of County Commissioners. He was very impressed with Mr. Kreske, a banker from Iron River, who spoke on equity.

OTHER OLD BUSINESS

Potvin told the Committee that he is still interested in a thermometer or graph type form of publicity showing the amount of money lost to government for every day (or week) the Specific Tax remains unchanged. A motion was made by Sodergren, seconded by Potvin and carried that Sodergren and Schneider would work on such a graph that would not require a lot of detailed data and report back to the Committee at the next meeting.

ADJOURN

A motion was made by Sodergren, seconded by Schneider and carried that the meeting be adjourned.

Meeting adjourned at 5:30 P.M.

Specific Tax Implementation Committee Meeting
July 11, 1977 - 7:00 P.M.

Present: Anderson, Potvin, Farrell, Sodergren, Schneider, and Larson

Absent: Smith, Miron, and May (The three members were excused)

MINUTES

The meeting was called to order by Anderson. Larson made a motion that the minutes of the last meeting be approved. Sodergren seconded the motion. The minutes were unanimously approved.

COMMUNICATIONS

Sodergren informed the committee that the United Steel Workers have requested a speaker for a meeting on July 17, 1977 at 7:00 P.M. Anderson said that he would attend the meeting and speak.

Sodergren received a letter from George Montgomery, Chairman of the Taxation Committee, indicating that the information received relative to the public hearings conducted by Rep. Jacobetti will be considered by his committee.

Sodergren received a letter from Jesse Perry of the United Steel Workers of America requesting a speaker. He told the committee that he will check further with Mr. Perry when the meeting would be.

Sodergren reported a letter received from Rep. Dominic Jacobetti requesting a complete audit of the County's expenditures and receipts.

Anderson asked if communications were sent to other counties. Sodergren said that they were, but he did not recall which counties. Potvin suggested that communications be sent to Delta, Menominee, Dickinson, Iron, Goegebic, Ontonagon, Houghton, Keewanaw, Baraga and Alger Counties. The committee unanimously agreed.

BROCHURE

A discussion was held on the brochure. Several recommendations were made. These recommended changes will be incorporated to the brochure and mailed to members for final approval before printing.

COORDINATOR REPORT

On June 20, 1977 Sodergren spoke at a meeting of the U.S.W.A., Local #2912
June 28, 1977 Sodergren spoke at a meeting of the United States Steel
Workers, Local #5440
July 7, 1977 Sodergren attended a meeting with Sally May at Senator
Donald W. Reigle's office.

Sodergren reported on a meeting with Commissioner Joseph O. Racine relative to his discussion with Rep. Dominic Jacobetti. It is Joe's feeling that Rep. Jacobetti is opposed to any increase in the specific tax.

A motion was made by Potvin, seconded by Larson and carried that the committee subscribe to two magazines from Minnesota. Sodergren ordered six-months subscriptions from the Skillings' Mining Review and the Minneapolis Star.

A motion was made by Farrell, Seconded by Larson and carried that Sodergren will look into the possibility of setting up a meeting with Vice President Walter Mondale, Governor William G. Milliken, Governor Perpich (Minnesota), and Linus Wampler, Director of U.S. Steel Workers, on July 27th at the National Association of County's conference in Detroit. Those authorized to attend are Commissioners Anderson and Racine and Sodergren. Expenses for Anderson and Racine would be paid by the County Board and expenses for Sodergren would be paid by the Specific Tax Implementation Committee.

OLD BUSINESS

Larson asked the committee if they had ever received any information on Tax Legislation from the State of Alabama. Schneider told the committee that they had not. The four largest mining states are Michigan, Minnesota, Alabama and Wisconsin.

NEW BUSINESS

Sodergren informed the committee that Commissioner Joseph Racine indicated that a report from Rep. Jacobetti will be received shortly concerning the Specific Tax. Copies of this report will be mailed to all members prior to the next scheduled meeting.

Potvin recommended that further effort be made to emphasize to the public the importance of having a change in the Iron Ore Tax. He suggested a thermometer type poster be made indicating the amount of revenue lost for every day the recommended change is delayed.

Larson suggested a similar type graph in the Action Shopper.

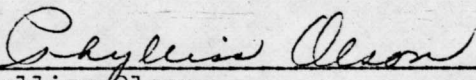
Potvin suggested we look into the possibility of hiring a person through CETA money to spear-head the committee.

ADJOURN

A motion to adjourn was made by Larson, seconded by Sodergren and carried.

Meeting adjourned at 9:45 P.M.

Respectfully submitted,



Phylliss Olson
Secretary

Specific Tax Implementation Committee
June 14, 1977 - 7:00 p.m.

Present: Commissioners Anderson, May, and Potvin, County Treasurer Sodergren, Equalization Director Schneider, Mr. Harry Miron, and Negaunee Township Supervisor Larson.

Absent: Commissioner Farrell, Mr. William Smith.

A regular meeting of the Specific Tax Implementation Committee was held at the County Courthouse Annex. The meeting was called to order by Chairperson Anderson. Schneider moved to approve the previous meeting's minutes, and with support from Miron, the motion carried unanimously.

A speaker's information packet prepared by Sodergren was distributed to committee members. Sodergren then explained each section. Several suggestions regarding additional material were heard. Potvin suggested including a list of persons contacted by letter to participate in the study committee, plus a copy of the letter, the final list of people appointed, and Hope Trapp's letter with the Board's charge to the committee. It should be stressed that the members represented diverse segments of the population, including the mining industry. Miron thought researching Minnesota news articles for reaction to the raise of tax to \$.45 per ton would be valuable. Potvin wanted a statement on a depletion allowance from the mining industry included in the presentation.

A general discussion ensued concerning questions and topics that might be raised at a presentation.

Anderson led a discussion on strategies. It was felt that since this is a Upper Peninsula-wide problem, it should be shown with concrete examples from Minnesota that a change in the tax does not decrease growth and expansion in the mining industry. It was suggested that an open letter to Senator Mack and Representative Jacobetti regarding their failure to respond to the committee might be published in the Mining Journal. Potvin moved, with Larson supporting, that a letter commending the Mining Journal on Peter Brown's series of articles covering the Specific Tax be sent. Motion passed unanimously. Sodergren moved the committee make an update on their progress to the County Board at the next regular board meeting. Miron seconded the motion, and after discussion, it carried unanimously. May and Sodergren are to write the report and make copies available to the press, and Anderson is to present it.

May read the rough draft of a form letter to be sent to groups, informing them of the committee's availability to meet with them. Various changes were suggested by committee members. Potvin moved the letter be approved. Schneider supported, and the committee unanimously passed the motion. A list was formed of groups and persons the letter will be sent to:

1. Labor
2. League of Women Voters
3. all involved County Boards, especially Dickinson County's
4. U.P. Association meeting
5. Taxation Committee in Lansing
6. Governor Milliken
7. Representative Anderson
8. Kiwanis Golden Key Club
9. Lions Clubs
10. Marquette Taxpayer Assoc. c/o Bob Ling, Woolworth
11. U.P. Environmental Coalition
12. American Assoc. of University Women
13. U.P. Superintendents
14. Michigan Assoc. of Counties
15. Democratic and Republican Parties

A brochure designed by May was discussed with certain changes made by members. It was decided that Sodergren will write the specific wording of the brochure.

A copy will be sent to members to approve before printing. Potvin moved a committee of May and Sodergren be allowed to get 2,000 copies printed after phone approval by committee members of the draft design. Miron supported the motion, which then passed unanimously.

The committee then looked into ways the general public might be contacted. Ideas brought up were:

1. Letters-to-the-editor of the Mining Journal. May moved, and Potvin seconded the motion that Sodergren respond to Mr. John M. Ohlson's letter-to-the-editor and a copy be sent to Virginia, Minnesota's newspaper. Since the committee was concerned about misconceptions the public might draw from the letter, the motion passed unanimously.
2. Reports to the County Board.
3. Information packet and synopsis be placed in public libraries.
4. Information packet be sent to Linus Wampler along with letter urging him to meet with the committee to act on the resolution the steelworkers adopted.
5. A televised panel discussion by Sodergren, Peter Brown, and Arthur Roemer, Minnesota's Commissioner of Revenue.
6. Contact Upper Great Lakes Commission.
7. Ask Linus Wampler to set up a committee to implement steelworkers' resolution.

A communication from Local 2912 was read requesting that Anderson or Sodergren speak at their next meeting - June 20, 1977. Sodergren volunteered to attend, with Schneider accompanying him.

It was decided the Chairperson will call another committee meeting as necessary to cover developing events. Meanwhile, members will develop their strategies and presentation.

On a motion from Potvin, with Miron seconding, the meeting was adjourned.

Respectfully submitted,

Suzanne Dewey,
Secretary

Specific Tax Implementation Committee Meeting
May 17, 1977 - 7:00 p.m.

Present: Commissioners Anderson, May, and Potvin, County Treasurer Sodergren, Equalization Director Schneider, Mr. Harry Miron, and Negaunee Township Supervisor Larson.

Absent: Commissioner Farrell, Mr. William Smith.

A regular meeting of the Specific Tax Implementation Committee was held at the County Courthouse.

On a motion by Larson, with Schneider seconding, the previous meeting's minutes were unanimously approved.

Anderson spoke on the need to convince Senator Mack and Representative Jacobetti to meet with the committee to discuss the revision of the present specific tax. The rough draft of a letter to Jacobetti by May was read. Sodergren and Potvin suggested that the date of the next specific tax meeting be included in the letter. They also wished to get across the point that although the committee desires to meet with Jacobetti as soon as possible, they will proceed with their plans if he does not contact them. Sodergren moved, with Potvin seconding, that the letter be sent to Jacobetti, and a copy attached to the committee's minutes. It was agreed that the minutes of the meetings should have the same circulation as those of County Board Committees.

There was a discussion on resources for information and groups to contact to influence state representatives on the tax matter. Anderson said letters-to-the-editor were effective, May suggested distributing information in the form of brochures, and Miron suggested sending leaflets to the steelworkers unions.

Sodergren moved that all local United Steelworkers Unions be contacted by letter asking that the committee be put on their agendas to meet with them. Motion supported by Potvin and carried unanimously.

There followed a discussion on what ideas will be stressed in speaking to groups. Important points were: comparison between Michigan's and Minnesota's business climates, the increase in property taxes as compared to iron ore. A letter from Clairmont Transfer Company was brought up. They protested any change in the specific tax as they thought it might slow growth in the area.

Anderson offered to speak to steelworkers' unions. Potvin suggested Sodergren outline main points of a presentation based on his experience so all committee members would be equally informed. A speaker's packet will be designed for each committee member. In addition, each member will receive background information to include:

1. committee majority and minority reports
2. committee minutes
3. letters-to-the-editor
4. Minnesota tax structure report
5. material on Wisconsin's tax structure
6. local newspaper articles dating back to 1940's and 1950's
7. history of specific tax
8. copy of pertinent legislation and amendments
9. effect of Groveland mine on Dickinson County's taxes
10. geology of iron ranges in other counties

Sodergren, Schneider, May, and secretary Sue Dewey will gather the necessary information for the committee before the next meeting.

Anderson stated that the committee should develop target groups and a system for getting the most public attention for the information gathered. In addition to contacting groups in Marquette County, such as the League of Women Voters, it was felt necessary to contact county commissioners and organizations in other counties.

Following a general discussion of ways to implement the committee's aims, May read a list of items to be considered at the next committee meeting:

Specific Tax Implementation Committee

May 17, 1977

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1. draft letter and information to be sent to groups
2. list of groups (each committee member will bring suggestions)
3. study information for committee
4. proposed speakers' packet and brochure designs
5. be prepared for work session to prepare for giving presentations
6. ways to inform the public

The budget proposal for the committee, prepared by Sodergren and Potvin, was read and revisions made. After brief input from the members, it was requested that \$350.00 be added to the travel account for mileage to and from the regular meetings. Miron made the motion to accept the following budget and submit it to the county board. Schneider seconded the motion and it was carried unanimously.

Salaries (part-time secretary)	\$ 625.00
Office Supplies & Printing	1,000.00
Telephone	100.00
Travel & Expenses	2,150.00
	<hr/>
	\$ 3,875.00

Larson moved that the next meeting date for the committee be set for Tuesday, June 14th at 7:00 p.m. at the Courthouse. May supported the motion which was then unanimously approved.

Miron moved that a letter of congratulations be sent to Linus Wampler, newly elected President of District 33, United Steelworkers of America. The letter should describe the specific tax committee, their desire to meet with him, and acknowledge District 33's endorsement of the County Board's position on the specific tax. Potvin supported, and the motion passed unanimously.

After a short discussion, it was decided that Sodergren act as coordinator for information gathered by members, coordinate who will be attending functions, and will react to new developments as they occur in the name of the committee.

Potvin suggested having a student do internship as a researcher for the committee. One use would be to research past articles in the Mining Journal, particularly during the time the specific tax was being enacted.

Larson moved to adjourn the meeting, Sodergren seconded the motion, and it was carried unanimously by the members of the committee.

Respectfully submitted,

Suzanne Dewey

Suzanne Dewey
Secretary

MARQUETTE COUNTY
SPECIFIC TAX IMPLEMENTATION COMMITTEE

Clayton Anderson
Pat Farrell
Wes Larson
Sally May
Harry Miron

Don Potvin
Henry Schneider
Bill Smith
Jim Sodergren

May 19, 1977

Dominic J. Jacobetti, 108th District
State House of Representatives
Lansing, MI

Dear Dom:

Your letter to Joe Racine regarding a possible meeting date with our Committee on Specific Tax, was referred to us for response.

As you may know, the work of the Specific Tax Study Committee has been completed, the Board has adopted the majority report and its recommendations, and our Committee has been formed to work for the implementation of these recommendations.

While we can understand your schedule must be full, we can't help being disappointed that the only time you can make available to meet with us on this important matter is in August or September. Naturally, if that is the only time available, we will make the necessary arrangements to meet with you then. However, we're sure you are aware of the importance of this issue to the people of your District. It's for this reason, that we had hoped to talk with you, our State Representative, first. If that is not possible, we must make every attempt to carry out our responsibility as best we can in the interim. We hope that you will find yourself in Marquette County sometime between now and August -- a visit home perhaps. If so, we would be happy to make "spur of the moment" arrangements to meet with you.

The next meeting of our Committee has been set for June 14, 1977, 7:00 PM at the Courthouse. You have a standing place on our agenda, should you be able to attend. Hoping to hear from you before then, we remain,

Sincerely,

Clayton Anderson S.D.
MARQUETTE COUNTY SPECIFIC TAX
IMPLEMENTATION COMMITTEE
Clayton Anderson, Chairperson

Specific Tax Implementation Committee Meeting
April 28, 1977 - 5:00 p.m.

Present: Commissioners Anderson, May, Potvin and Farrell, County Treasurer Sodergren, Tax Equalization Director Schneider, Mr. Harry Miron, and Negaunee Township Supervisor Larson.

Absent: Mr. William Smith (Smith called during the meeting to ask that he be excused)

The first meeting of the Specific Tax Implementation Committee convened at the Northwoods for a dinner meeting.

Prior to any formal discussion, the Committee read a letter sent to the County Board from Representative Jacobetti, stating that he would be unable to meet with the Committee at this time.

A brief and informal discussion was held about the Committee's assignment, after which the Committee proceeded to select a Chairperson.

After some discussion it was moved by Larson, seconded by Sodergren that Anderson be Chairperson, as he is Chairperson of the County Board's committee on Finance and Taxation. There being no other nominations, a unanimous vote was cast for Anderson.

May expressed concern for the necessity of having a member of the Committee act as a coordinator to receive requests for information, speakers, etc. from the public, and assign individual Committee members to fill these requests. It was agreed that it would be valuable to have such a person and that that person should be readily available by phone during the working day for this purpose. May suggested Sodergren for this position. Farrell moved that Sodergren be appointed as Vice Chairperson and Coordinator, seconded by Miron and carried unanimously.

Sodergren stated that he felt the Committee would need one of the Committee members to take on the role of Secretary for the purpose of writing publicity releases, composing copy for brochures, if such are used, and drafting letters. He moved that May be appointed to this position, and it was seconded by Anderson. May stated during discussion that due to time constraints, she could accept this position only if a professional secretary was available to the Committee on a part-time basis to do the clerical work and take minutes. The Committee agreed that this would be necessary. A unanimous vote was cast for May for Secretary.

The Committee acknowledged the need for research to answer a number of questions regarding the Specific Tax and on a motion by Sodergren, seconded by Potvin, Schneider was unanimously appointed Research Director for the Committee. Some research items were:

1. Comparison with the property tax
2. History before Specific Tax enacted
3. Intent at the time of enactment
4. Information on tonnage shipped
5. Comparison of iron ranges
6. Comments on record in 1953 on Steelworker's Districts meetings
7. Tax structure in Alabama

Discussion continued on the possibility of requesting that the County Board provide funds to hire a secretary part-time for the Committee. It was felt that the County Board's secretary could not handle the additional workload due to her already heavy workload for the Board that regularly includes numerous night meetings. It was mentioned that Sue Dewey, a secretary in the Tax Equalization Department, might be interested in this part-time work. It was also mentioned that she has considerable knowledge of tax matters. It was moved by Farrell, seconded by Larson that Ms. Dewey be asked if she would be interested and, if

so, that the Committee recommend to the Board of Commissioners that the Tax Equalization Dept.'s budget be amended to include payment to Ms. Dewey for part-time work for the Specific Tax Committee. The motion carried unanimously.

At this time, a number of possible expenses by the Committee were discussed. While the Committee members were unanimous in not wanting any per diem for their work on the Committee, it was agreed that there would be the secretarial expenses, possible travel, printing, etc. As a result of the discussion, the Committee requested that Sodergren and Potvin get together to determine what costs might be incurred and report back at the next meeting.

It was pointed out that Senator Fitzgerald plans to be in Marquette on May 2 and the Committee should attempt to talk with him regarding the Specific Tax. May and Larson agreed to contact him and report back to the Committee at the next meeting.

Sodergren reported that the Governor's office has expressed an interest in the Specific Tax and also that while the Governor was here for his Special Conference, he stated flatly that contrary to rumors, the Specific Tax distribution must be local because it is in lieu of the property tax. Sodergren will keep the Committee informed on the Governor's interest.

Brief discussion was held on possible meeting dates for the Committee and Schneider volunteered to have his secretary call the members of the Committee to determine what dates they have open, so that the next meeting could be called within two weeks. It was decided that any agenda items for the next meeting be sent to Sodergren.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Sally May (S.D.)
Sally May, Secretary

IT IS NOTED THAT THE MINUTES OF THIS MEETING AND ALL OTHER MEETINGS OF THE COMMITTEE ARE PARAPHRASED AND NOT VERBATIM.

SPECIFIC TAX IMPLEMENTATION COMMITTEE MEETING

Minutes - January 6, 1977 - 7:00 PM

PRESENT: Henry Schneider, Jim Sodergren, Pat Farrell, Clayton Anderson, Harry Miron, Wes Larson, Don Potvin.

ABSENT: Sally May, William Smith.

GUESTS: Paul Gravedoni, Union 4950, and Dan Gravedoni, Union 4974.

Meeting was called to order by Chairman Clayton Anderson.

Minutes of the previous meeting were approved by all members present.

COMMUNICATIONS:

Letter from Iron County Controller, dated November 29th regarding benefits and the increase of iron ore.

Letter from Mr. Stewart, Controller, Iron County, dated December 27th regarding the specific ore tax - should it be increased? Specific questions were asked in his letter which Jim Sodergren said he would reply on. Also, enclosed was a copy of Mr. Paul's statement and resolution from the Chamber of Commerce.

Letter from the Division of Community Public Schools regarding attending their next meeting on Tuesday.

Letter from Senator Fitzgerald - questionnaire regarding mining industry in the Upper Peninsula.

Letter received by the County Clerk giving official notice of the Public Hearing at Iron Mountain January 13th & 14th.

PUBLIC HEARING - IRON MOUNTAIN:

A quick run-down was given by Jim Sodergren to inform Dan and Paul Gravedoni briefly what the public hearing is all about. He also explained what the Specific Tax Committee was all about and how long they have been meeting.

Discussion by Anderson of why hearing was not held here. It will be held in the union hall in Iron Mountain.

Discussion was brought up about the Townships handing out the questionnaires. Paul Gravedoni suggested that we have somebody sitting at the door of their union party handing out the questionnaires for people coming in to fill out. Don Potvin said he could attend Monday and Tuesday from noon til 5:00. Wes Larson would attend Sunday afternoon. Jim Sodergren would attend Sunday evening.

The following people said they would attend the public hearing in Iron Mt. Jim Sodergren will attend everything. Pat Farrell and Clayton Anderson will attend Friday. Wes Larson will have a written statement and will also attend on Saturday. Harry Miron and Henry Schneider will have written statements to send up.

Motion to approve the Mining Journal Ad and Iron Mountain News Ad was made by Harry Miron and Pat Farrell second it. Motion carried.

Pat Farrell made the motion to get 5,000 more copies of the questionnaire printed and Henry Schneider second it. Motion carried.

Paul and Dan Gravedoni asked if they and the other two local union presidents could be put on the mailing list for the minutes of the Specific Tax Committee.

OLD BUSINESS:

Jim Sodergren will respond to the Iron County Controller.

Jim Sodergren will work up an information brochure for the Public Hearing.

Next meeting: January 11, 1977, 7:00 PM in room 227 Court House Annex.

Motion made by Jim Sodergren to adjourn the meeting, second by Henry Schneider. Motion carried.