

**STATE OF THE COUNTY ADDRESS**  
**OAKLAND COUNTY EXECUTIVE L. BROOKS PATTERSON**  
**FEBRUARY 13, 2002**  
**MSU MANAGEMENT CONFERENCE CENTER**  
**TROY, MICHIGAN**

Good evening, ladies and gentlemen. Thank you for joining me tonight as I report on the State of our County. Ordinarily I would start my report with a glowing account of the good things that are happening in Oakland County.

But this is no ordinary year, as we know. The world, and Oakland County's place in the world, is now very different since September 11. The events of that day have made each of us a little more aware of our surroundings, a little more grateful for our blessings, and a little more cautious in the conduct of our daily lives.

Today you think about crowds; you look at your mail a little differently; you ponder boarding that plane for a long overdue, well deserved vacation with your family.

I have no idea how long we will live with these reasonable fears. I have no idea whether we will face another catastrophic event sometime in the future that will challenge our way of life again. But I do know that the events of September 11 put all of us to the test, including folks right here in this room.

Ladies and gentlemen, I'm here to tell you that we passed the test. Ordinary people can accomplish extraordinary things.

Twenty-five members of the Oakland County Sheriff's Department and the Auburn Hills, Lake Angelus, and Royal Oak police departments delivered a semi-truck filled with water, batteries, flashlights, food and blankets to Ground Zero shortly after 9/11. These men and women joined the rescue workers as they frantically dug through the broken concrete and twisted steel looking for family members, co-workers, and soul mates.

Oakland County government employees here at home, in some small way, did their part. As the twin towers of the World Trade Center crumbled, our employees stayed at their desk and did their duty, defiantly refusing to panic as the terrorists had hoped.

Those same employees, through the Oakland County Casual Day Fund, quickly donated \$10,000 to Sheriff Michael Bouchard's Fallen Heroes Fund to help the families of police officers and fire fighters who died in the 9/11 tragedy.

Within days of the attack, Oakland County employees rallied outside the courthouse in an emotional, patriotic show of support and raised an additional \$8,700 on this Red, White and Blue Day which was contributed to the September 11 Fund.

Just as we were beginning to comprehend the magnitude of September 11, we were attacked again - this time by an unknown sinister source who sent deadly anthrax through the mail. Although few actual anthrax cases occurred, fear swept the country like a plague. Good people from Maine to California saw potential anthrax everywhere. Oakland County was not immune from this nationwide scare: our hazardous materials teams, (HazMat Teams) along with local, state, and federal law enforcement authorities, were called to investigate literally hundreds of "suspicious substance" reports. Fortunately, the reports turned out to be false alarms here in Oakland, but each one had to be checked out thoroughly as though it were the real thing.

There's a group of people that I want you to meet tonight that stood their place on the front lines during these days. These young Oakland County employees labored in a windowless room in the bowels of the courthouse basement. I was told about the pressure under which they labored, and I went over to see them.

What I saw broke my heart.

Here were eight ordinary county employees doing really what could only be described as potentially dangerous work, even life threatening. These were our mail room employees. Each of them wearing a mask, each of them wearing rubber gloves, but all of them doing their duty sorting 13,000 pieces of mail that comes through that room every day.

They're not firefighters entering a burning building; they're not police officers in danger of being crushed by the rubble of a crumbling tower; but they are people who had a duty to perform, and despite risk of personal injury came to work every day and did their jobs.

I'd like to introduce you to my mail room employees who are here tonight: Joel Eaton, Sandy Parucsh, Adam Bailey, Lori Marks and Vickie Smith, would you all please stand.

As we all know, homeland security is now a national issue. It is also a state issue, and by necessity, it is now a county issue. I want to let you know what we've done to address homeland security in Oakland County to protect not only our 4400 employees, but the 1.2 million people we serve in Oakland County.

The first thing I did was to immediately order the overhaul of our emergency management operations and create a new Emergency Response and Preparedness Team. We hired three outstanding security professionals, and contracted with a fourth. This quartet will form the nucleus of our Oakland County homeland security team.

Let me introduce them.

Serving as the new Administrator of our Emergency Response and Preparedness Team is Michael Sturm. Before accepting this new position, Mike was the commanding officer of the Dearborn Police Department's Investigative Unit. Among his many qualifications are stints as a swat team commander, hostage negotiator, field training officer, surveillance officer and investigator with the Major Crimes Unit. Equally important, if not more so from my perspective, is the fact that Mike is a retired Army colonel where his 23 years of experience in the military police included training, mobilizing and deploying 1100 soldiers for Desert Storm. He was responsible for operating a 24-hour emergency operation center during this armed conflict. Mike is also a 1981 graduate of the US Army Command and Staff College at Ft. Leavenworth, Kansas, a very prestigious accomplishment.

Joining Mike Sturm is Captain Don McLellan of the Oakland County Sheriff's Department. Don is uniquely educated and trained to assist Mike Sturm in devising strategies and tactics for handling critical incidents, including terrorism threats. Captain McLellan's range of experience encompasses service on the front lines of such catastrophic incidents as the crash of Northwest flight 255 at Detroit Metropolitan Airport; the Royal Oak Post Office shootings; the Ford Wixom Plant shooting. Captain McLellan, who also happens to hold a Ph.D., has taken his training, knowledge and experience into the classroom, where as an adjunct professor for FEMA (Federal Emergency Management Administration) he teaches courses in hazardous materials, natural disasters, and anti-terrorism.

Just a few days ago, we filled the position of Chief of Building Safety. Gordon Bovee, recently retired Captain from the Pontiac Police Department, has assumed his new duties and will be responsible for developing policies and

procedures to insure maximum security in all our county buildings, especially after hours.

During his 30 years of service on the Pontiac Police Department, Captain Bovee compiled a wealth of experience, including stints as Commanding Officer of the Investigative Services Division and Commander of the Professional Standards Division. He has been awarded a citation for valor and ten meritorious service citations during his distinguished career. I would like to welcome this newest member to our Emergency Response and Preparedness team. Would Mike Sturm, Don McLellan, and Gordon Bovee who are with us tonight please stand up and be recognized.

To assist these men, I've also hired an outstanding, internationally recognized security consultant, George Durham. Mr. Durham comes to us with impeccable credentials that span more than 36 years of professional security and intelligence experience in both the military and the corporate workplace. During his 22 years with US Army Intelligence, Mr. Durham handled counter-terrorism issues involving the Irish Republican Army, the Red Brigade, and other similar organizations. In the corporate world, Mr. Durham was in charge of security for Shell Oil Company's chemical and petroleum facilities nationally and internationally.

This high-powered experienced team of professionals is charged with streamlining and reorganizing our Emergency Response and Preparedness for any potential terror threat aimed at Oakland County, its employees or its citizens. Further, by assembling this team of experts, I believe we have sent a clear message that we are very serious in this endeavor, not only about tightening security on our complex, but extending to our 1.2 million residents a level of confidence that we have access to the best and brightest security experts in America who will avail their expertise to local first responders through our training capabilities.

### ***THE OAKLAND ECONOMY***

I'm sorry for the relatively heavy opening remarks, but as I said a few minutes ago, these are no ordinary times in America. And while they may not be ordinary times when it comes to security, I can report to you tonight it's the same old Oakland County when it comes to our economy, our technology, and our new programs that I will announce tonight.

First, a few words about our local economy. Last month I led a team of county officials to New York City to meet with the bond houses on Wall Street.

Our mission was clear: maintain our coveted AAA bond rating. We scheduled meetings with Moody's Investors Services, Inc. and Standard & Poor's, the two leading Wall Street bond agencies. During our two and one-half hour meetings, we laid out all the numbers for them: Oakland County's General Fund Equity ended fiscal year 2001 with a \$59 million balance (up from a \$13 million balance in 1993); a Delinquent Tax Revolving Fund that had grown to \$187 million in cash; Oakland County, with a \$5.7 billion line of credit, showed Wall Street that our General Obligation Debt at fiscal year end was only \$24 million. In other words, we have used up less than one-half of one percent of our available borrowing capacity. In Wall Street's eyes, we are debt free.

We impressed Wall Street with our government streamlining efforts through privatization. Since 1993, the County has successfully privatized ten different services, which resulted in elimination of 74 budgeted positions and a savings to taxpayers of more than \$3.7 million annually.

Our team told Wall Street that during the year 2001, despite a national economy that was slumping, the value of our taxable property in Oakland County soared by \$10 billion. The overall value of real estate in Oakland County is projected by the end of this year to reach \$126 billion - that exceeds the total value of all real estate in ten separate states.

We further informed Wall Street that Oakland County is expected to once again lead southeast Michigan and the state in job growth. An employment outlook survey, conducted by Manpower, found that 40 percent of Oakland County employers planned to add employees in this first quarter, compared to 20 percent for the rest of the State.

Oakland County's stellar performance once again enabled Michigan, for the fourth consecutive year, to earn Site Selection Magazine's Governor's Cup, reserved for the number one state in the nation with new plants and expansions. Oakland's contribution toward this award was more than \$2 billion worth of new investment which resulted in the creation of more than 3200 new jobs.

Finally, we told Moody's and Standard & Poor's that Oakland County's economic success was due in no small measure to our international investment. Our economy has been enhanced by the presence of 612 foreign owned firms from 25 countries around the world.

When we finished our nearly three hour presentations, Moody's suggested to us that if there was a "AAA-plus" rating, we'd be in line for it. Later that day,

when we finished our presentation at Standard & Poor's, the lead budget analyst said, "Sorry, fellows, we don't have a AAA Platinum rating."

In other words, it looks pretty darn good for bringing home the AAA rating once again!

And why is that AAA so important? Because the interest rate that you have to pay when you borrow in the marketplace for large capital improvement projects, like sewers and drains and courthouses and jails,...that rate of interest is based on your credit worthiness. And when you're AAA you are virtually risk free, and therefore borrow at the lowest rates possible. In our case, the last time we went to market with our AAA rating in hand, we were able to borrow for a Public Works' project at a rate of 3.89 percent.

That means to you ladies and gentlemen in this room, and those listening at home, over time the AAA rating will save you as taxpayers literally millions of dollars that you will not have to pay in higher interest payments.

## ***ENVIRONMENT***

Equally important as robust economic development, sustained business growth, and fiscally conservative management of county government, is the preservation of our natural resources. There must be a balance between economic growth and environmental stewardship if the unsurpassed quality of life that we enjoy here is to be maintained. I believe we have struck that delicate balance here in Oakland County.

Our approach to the environment employs such concepts as making a silk purse out of a sow's ear. By this I mean taking a nonproductive piece of property and transforming it into something of value.

With the support of a \$250,000 federal grant, Oakland County has created a Brownfield Development Authority which will allow our local communities to begin the process of cleaning up and rehabilitating contaminated sites.

We don't let our housing stock decay. Historically, Oakland County's Community Development Division has been the national pacesetter in rehabilitating rundown homes, fixing up between 260 to 300 homes annually. Compare that to the national average of 50 homes registered by other groups involved in housing rehabilitation across America.

A new federal law requires all homes to be inspected for lead-based paint contamination, a problem which must be remedied before rehabilitation can begin.

This requirement has forced many businesses to abandon the home rehab business - but not Oakland County. Our Community Development Division has chosen to tackle this tough new requirement in order to preserve the housing stock for low and moderate income people who need and deserve affordable housing.

Although the Department of Housing and Urban Development no longer hands out “Best Practices Awards,” others have told us that Oakland County would have won such a recognition for our lead-base initiative because it serves as a model for the state and nation. Housing rehabilitation preserves home values in Oakland County and gives the lower and moderate income people an opportunity to enjoy a better quality of life.

These two excellent programs, the Brownfield Initiative and the Housing Rehabilitation Program not only serve to protect the health and safety of our citizens, but they also provide added benefit for revitalizing sustained and/or contaminated property so that economic value is regained. Our desire to be environmentally responsible also means being sensitive to other factors that may jeopardize our quality of life.

Excessive noise pollution, for example, can be every bit as environmentally harmful as polluted rivers, lakes and streams. The construction of what is called a “Ground Run-up Enclosure” at Oakland County International Airport for aircraft maintenance will soon reduce noise levels for the surrounding neighbors by nearly 75 percent. This is the sixth ground run-up enclosure to be built in the nation, but only the first one at a general aviation airport like Oakland County International.

### ***PROGRAM UPDATE***

As I work my way through my remarks tonight, I’d certainly like to spend a couple minutes updating you on programs that I have mentioned in prior State of the County Addresses. Remember CLEMIS - our Courts and Law Enforcement Management Information System? It continues to utilize and employ cutting edge technology as it rapidly expands to meet increasing demands. CLEMIS has now emerged as the largest law enforcement consortium in the country with nearly 100 police department and agencies signed on.

The newest technical augmentation to CLEMIS will be launched this spring when we implement a first-of-a-kind multi-point video arraignment system. This technology added to the CLEMIS system will allow a judge sitting in his/her courtroom at one location to electronically arraign multiple prisoners who are being held at various locations around the county. Video arraignments will

facilitate the redeployment of about 340 police officers back to the street to fight crime rather than serving as chauffeurs for prisoners. Security will also be enhanced by reducing the potential for confrontation between courtroom participants.

After nearly six years of hard work and untold hours of research, Oakland County has selected M/A-COM, a company based in Lowell, Massachusetts, but with a regional office in Troy, to install a new state-of-the-art radio communication system. This state-of-the-art system in Michigan will give public safety agencies from different jurisdictions the ability for the first time ever to communicate with one another over the same frequency.

The need to modernize radio communication became very evident in 1996 during the Ford Wixom Plant shooting when the various police, fire and EMS units arriving at the scene were unable to communicate with each other because of the incompatibility of their radio frequencies.

The Senior Prescription Discount Program, which we launched in 2000, is without a doubt a huge and overwhelming success. We now have over 16,000 enrollees using our prescription program in Oakland County. To qualify, you have to be a senior, defined as over the age of 60, and be without prescription coverage in your retirement program. By our last estimate, participating seniors have saved more than \$ 1.5 million.

This past year, our Senior Prescription Discount Program took on a new dimension with the addition of a new aspect called Durable Medical Goods. This feature is not offered in any other comparable program in the United States. Using the prescription discount card, seniors can now go to any participating pharmacy and purchase durable medical goods like blood pressure kits, blood pressure monitors, diabetic I.D. bracelets, cool mist humidifiers, and ear syringes, to name but a few.

This year, it is my pleasure to announce that we plan to raise the bar another notch by asking the Board of Commissioners for approval to extend the benefits of our program to Oakland County residents under the age of 60 who don't have prescription coverage. I want to acknowledge the exceptional cooperation we have received with this expansion program from Commissioner Sue Douglas from Rochester Hills.

Proactively responding to the outbreak of Hepatitis in 1997 and again in 1999 (perhaps you remember those public health scares here in Oakland County), we embarked upon a Food Managers Certification Program requiring all 3,800

county restaurants to have in their employ at least one individual within five years who has been fully certified as a food service manager. Entering the third year of this program, nearly 50 percent of all restaurants have been certified. This program has become so popular that demand is out-pacing our ability to serve the growing number of people who want the training. We are doing our best to accommodate everyone because this is a valuable program which goes the extra mile to protect the health of our citizens.

Two years ago I announced, with a great deal of pride, that Oakland County had become the first county in America to be accepted into the national Main Street USA Program - an honor normally reserved for cities. In fact, we remain today the only county in America in the Main Street USA Program. By achieving this designation, Oakland County's 61 communities have access to urban planners and downtown redevelopment experts who have a 35-year history of providing successful revitalization assistance to more than 1700 downtown areas across 38 states.

Last year, Walled Lake, Rochester and Royal Oak were our first trio of communities selected for participation in this three-year revolving program. The value and potential of our Main Street Program is evident in the first year's results: \$7.5 million of DDA/Tax Increment Financing spent directly on downtown redevelopment has leveraged more than \$25 million in private investments in these Main Street communities.

The numbers speak volumes about the success of the program: 454 new jobs created; 39 jobs retained; 33 new businesses established; seven new buildings constructed; and over 6,700 volunteer hours dedicated to organizational, promotional, design and business development and recruitment activities.

The proof, as they say, is in the pudding: the Main Street Program works. As these communities enter the second year of the program, three new communities have now been brought on line: Lake Orion, Ferndale, and Holly will join them. The Main Street Program is designed to promote downtown revitalization and to preserve historic areas. Although each community may have a different way of getting there, the goal is the same: new investment and new jobs.

I want to commend tonight the leadership of Bob Donohue for his guidance of the Main Street Program and the success it brings to Oakland County.

## ***AUTOMATION ALLEY***

Business is big business in Oakland County, and we wouldn't be a AAA county without their investment.

I have told you before, but it bears restatement tonight, why I am so unabashedly pro-business. When businesses invest in Oakland County they bring jobs. These jobs provide paychecks that are spent in restaurants, at the malls, in hardware stores, at the appliance store, with the insurance company, for the house payment - probably everybody in this room benefits one way or another from the billions of dollars that are ricocheted throughout Oakland County's economy on a monthly basis.

From all those payrolls, and from all the real estate development, taxes are deducted with which we fund our schools, pay our health care initiatives, put sanitarians in our restaurants. These jobs and the taxes they generate put judges on the bench, prosecutors in court, deputies on the highway, and basically help keep your family safe. Park land is purchased, new nature trails are added every year.

That's why we fight to bring business to Oakland County and expand our existing base of 59,000 businesses: their combined payroll of \$30 billion contributes directly to the wealth of Oakland County and is essential in order to maintain the quality of life that we enjoy here.

Ponder the reverse situation for a moment: think of cities without business investment and the social and economic havoc that follows.

Two organizations that assist and help maintain Oakland County's economic strength and robust business climate are the Oakland County Business Roundtable and Automation Alley.

I established the Business Roundtable in 1993 to help develop an economic blueprint for Oakland County's future. I wanted an infusion of fresh ideas from the business community to help create a pro-business environment in Oakland County. I selected a group of 125 businessmen and businesswomen, educators and government officials from around Oakland County. This group has done an outstanding job in fulfilling its mission to prepare Oakland County for the business challenges of tomorrow. Each year they make recommendations to me as County Executive, and I'm delighted to tell you that fully 82 percent of the recommendations of the Business Roundtable over the past nine years have been implemented.

The Oakland County Business Roundtable is one of the most dedicated and hardest working groups I've had the pleasure to be associated with. I would like to publicly thank each member of the Roundtable, the four committee chairs, and our

two co-chairs: Dr. Gary Russi, President of Oakland University, and Robert Stempel, CEO of Energy Conversion Devices for all they have done on behalf of the citizens and businesses in Oakland County.

Two and a half years ago I formulated and launched a kissing cousin to the Business Roundtable, a national marketing consortium for Oakland County's emerging high-tech region that I call Automation Alley. What can I say about Automation Alley: it's taken off like a rocket, and it's still burning hot. James Higgins, business columnist for the Detroit News in a May 2, 2001 editorial, called Automation Alley "One of the most effective, brand identity campaigns in the history of Michigan economic development." On January 2, 2002, Automation Alley received further kudos in a Detroit News editorial entitled "Oakland Shows the Right Stuff." The editorial said in part: "The consortium (Automation Alley) shows how business and local government can work together for the benefit of both, not to mention the people served by government."

Automation Alley started out with 43 Foundation members, and today we're pushing close to 450 members. We offer our membership high-tech talent recruitment from around the world; networking sessions with their peers at home; seminars from national experts on important business issues.

We continue to push for more membership benefits. Automation Alley applied for and received a federal grant which helps our small to mid-sized companies enter the foreign trade market. Our first venture out of the country occurred last September when Automation Alley led ten local companies on a trade mission to Dusseldorf, Germany to a trade show for advanced manufacturing technologies. Three of our companies returned with \$1.5 million in new business - p.o.'s signed on the spot - and several others have potential deals in the pipeline.

This May Automation Alley will escort 15 local companies to China for a three-city whirlwind tour designed to penetrate one of the world's most rapidly growing and potentially fertile trading market. Beijing alone, in preparation for the 2006 Olympics, has \$20 billion in projects being bid.

Why is Automation Alley so successful? Two reasons immediately come to mind. One, the man I asked to lead it, and that is Ken Rogers, my Deputy County Executive who has spent untold hours, seven days a week meeting with his dedicated and talented staff, Automation Alley members, potential Automation Alley members, and vendors to build this consortium into one of the most successful national marketing campaigns in the United States.

Helping Ken with his effort, was a blockbuster report from the Anderson Economic Group of Lansing which dispelled the myth that this region may be more smokestack than high-tech.

Not only was it established that Oakland County's manufacturing firms represented high wage, high skilled jobs that could justly be fairly described as high tech, the Anderson report discovered that Oakland County had the third largest high-tech workforce of any county in America. According to the Anderson study, Oakland County has 167,568 high-tech workers, which is only surpassed by California's Santa Clara County in the heart of Silicon Valley, and Middlesex County in Massachusetts, the home of the Route 128 Technology Corridor - in the back yard of MIT and Harvard.

Ladies and gentlemen, over the past 15 to 20 years, the private sector in Oakland County has assembled and nurtured a collection of diversified high technology firms rivaled by few regions in the world.

### ***COVISINT***

When it comes to attracting new business for Oakland County, we are competitive, some might even say "scrappy." We can go toe-to-toe with most regions of the country, and for that matter, most regions of the world, and win our share of economic development battles. This is never more apparent than in what I call the "Courtship of Covisint."

Covisint, designed ultimately to become the purchasing portal for the Big Three, if not the entire domestic automotive industry, is on its way to becoming the world's largest business-to-business internet exchange. Last year, Covisint, while temporarily housed in Southfield, Michigan, announced that it was seeking a permanent home for its world headquarters. What followed was an international tug of war. At stake was landing as many as 1,000 new jobs, and a high tech company that is estimated to reach purchasing power in the range of \$750 billion. Wherever Covisint went it would likely serve as a magnet for new economic development.

I wanted Covisint in Oakland County. But so did England. So did Germany. So did Seattle, Los Angeles, Houston, Chicago, New York, and many other communities in Michigan.

Oakland County waged an aggressive campaign over the last year and a half to convince Covisint that everything they wanted and needed to succeed, was right here at home. The majority of the nation's tier one automotive suppliers have their

headquarters within a nine-iron of Covisint's Southfield offices. One of the most developed, high speed fiber optic broadband infrastructures in the metropolitan area reached their doorstep. The City of Southfield and the State of Michigan were extremely creative and supportive. They stepped up and matched any incentive to be found anyplace else in the United States.

On January 22 of this year, the President and CEO of Covisint, Kevin English, made the long awaited announcement: the new World Headquarters of Covisint would be in...Southfield, Michigan.

That afternoon a few corks popped in my office.

Our job now, of course, is to deliver on the promises made to Covisint to which the State, County and Southfield are committed. We want Covisint to be an extremely successful, internationally recognized high tech business-to-business internet exchange because, first of all, it vindicates their decision to locate here. Secondly, Covisint's decision to locate in Oakland County sends a signal to the world that we are ready for prime time. Locating here says, in no uncertain terms, there is no finer high tech region in the USA for business opportunity, business investment and business success than Oakland County, Michigan.

### ***NEW PROGRAMS***

Basking in the euphoria of Automation Alley's success and Covisint's decision, what's next?

Well, we will continue to polish our image as one of America's most technologically advanced counties by rolling out a number of new high tech programs. On the drawing board is everything from e-government to e-health, to GIS for the Drain Office, a revamped web site, and new Access Oakland products, to name a few.

The move toward e-government, which will make more products and services available on line to the public, actually took a leap forward with the redesign of the county web site last January. Realizing that the old web site lacked a consistent look or identity, a massive overhaul was undertaken. The effort involved more than just changing the web site, it involved completely redesigning the web architecture to increase the amount of information available, as well as the speed of accessing it.

The new web site, which has a new look, feel and identity, is geared toward the user rather than toward the department. This means that users will find it much easier to navigate the new web site to find what they're looking for. Previously,

users had to know a lot about government in order to locate the information they needed. Today, users can just input questions on the site and it will take them where they want to go.

Out of this web site architecture was born the e-government initiative which encompasses every on-line program or project imaginable, from an expanded “Access Oakland” to e-commerce, to e-health, to e-procurement, the One Stop Shop, centralized mail administration, ISP services, circuit court judicial information system, permitting, and so forth.

To steal from the Oldsmobile commercial: Oakland County’s government today is not your grandfather’s government. Today it is high tech and it’s getting techier. But the end result is service provided by government that is easier and quicker.

Oakland County has become a national leader in using technology for the benefit of its citizens. Under the banner of “Access Oakland,” a constant stream of viable products have been developed in a digital format which places a storehouse of data within easy reach of anyone with a computer. Each year, over the past several years, I have announced one or more new “Access Oakland” products that have come on line. This year is no different. The newest product is a parcel map viewer which allows people to purchase parcel maps on line that are updated every six months. These are an electronic version of the old hard copy paper maps which usually had a short shelf life and became quickly outdated.

I think it is appropriate for me at this point in time to recognize the leadership of Phil Bertolini, Director of Information Technology, and his partner over at I.T., Bob Daddow, Assistant Deputy County Executive, for their skillful inculcation of high technology into our daily work processes.

### ***MORE TO DO***

As I like to do every year at this time, I would like to announce some new initiatives and new programs that will be coming on line in Oakland County to better serve our employees and our residents.

One such program is the implementation of a Long-Term Health Care Insurance Plan for Oakland County employees, their families, and our retirees. This plan holds the potential for easing the financial burden for children in providing medical care for an aging parent, while at the same time facing the costs of raising their own children. For surviving spouses whose declining health

requires intensive nursing care, they will not have to worry about selling the house or exhausting their savings to pay for needed medical treatment. The only cost to the county will be administering payroll deductions for current employees.

Coverage will be through a group policy, which increases health care options and results in savings as much as 25 - 30 percent when compared to an individual policy.

Those enrolled in the Long Term Health Care Insurance Program will be able to choose the amount of deductible, length of coverage, type of coverage, and dollar amount of coverage. There is no medical underwriting which means an employee can obtain coverage without a physical exam. When an employee retires from county service, they will be able to take the policy with them. We will present this plan soon to the Board of Commissioners for its consideration, and my hope is that this much needed program will receive fast track approval.

Long overdue is construction of a new District Courthouse for the high volume 52-3 Division court in Rochester Hills. The new facility, on 9.2 acres of land, will be located just down the block from the present facility on Barclay Circle. When completed in 2003, this new District Court building, which will be owned by the county, will provide the judges, their staffs, and citizens with 45,000 square feet of work space, which is triple the size of the current facility. We also have on the drawing board plans to add a Sheriff's Department substation next to the courthouse which will enhance security and cut down dramatically on prisoner transport time and costs.

Speaking of jails, we also have projects under way to ease jail overcrowding at the main facility in Pontiac. One of these is the construction of a new \$14 million, 320 bed work release facility to be located behind the existing jail. There's also a \$7 million addition to the main jail which should be completed by next summer and will include the construction of badly needed single person cells for high risk offenders. With the renovation of the jail, there will also be an expansion of the health clinic so inmates can be treated more frequently at the jail rather than transporting them to a hospital at higher costs and higher risk.

You know, it's a lot easier to create programs than it is to create the space to house them. That's what Dave Ross, my Director of Facilities tells me every Monday at our administrative meeting. That has always been a dilemma for Oakland County government. The 1.8 million square feet of space that we have under our roof is used up. Gone. Occupied. One of the things we've done to accommodate the growing need for additional space was to purchase the Oakland

Schools building located on Pontiac Lake Road, technically on our campus,. It will take a couple years to convert this building to useable office space, but there is light at the end of the tunnel.

For long term expansion needs, you may recall that Oakland County has now completed the purchase of 88 acres of Clinton Valley property that borders our campus to the south. It gives us room to expand over the next two to three decades. I also congratulate the City of Pontiac which recently acquired the remaining 216 acres of that Clinton Valley property. Proposed plans for that site call for the development of a technology park on 90 acres and a residential community on the other 126 acres. The project will generate new investment and create new jobs for the local economy, and I would certainly like to congratulate the new Mayor of Pontiac, Willie Payne, for his deft handling of this purchase.

### ***NATIONAL VETERANS CEMETERY***

It gives me a great deal of pleasure tonight to confirm an announcement of significant proportions. I make this announcement not only with pleasure, because I'm a veteran, but because I know how hard my Director of Public Services, Mike Zehnder, worked to make this a reality. Last month the Department of Veterans Affairs announced that a new national cemetery that would honor our deceased Michigan veterans, would be built on a 560 acre site in Holly Township. Michigan's only other national cemetery is located at Fort Custer in Battle Creek where 15,000 veterans are interred on 760 acres. The Holly Township site was one of 12 sites originally under consideration in Michigan. It met all the criteria: access, size, and a government survey found that Holly Township was situated right in the epicenter of the Michigan veteran population. Negotiations on developing the site will begin shortly, with construction expected to start in 2004.

### ***FUTURE CHALLENGES***

Looking out into the future, there are some big ticket items that I should alert you to. A viable transportation system and water quality issues will remain major challenges for the region.

A recent transit authority bill was drafted in Lansing which contains key provisions inserted by Oakland County that include a framework that allows this new transportation agency to coordinate service overlaps and to decide rate and

scheduling issues. These two key management prerogatives have been points of contention between the two existing major service providers, D-DOT and SMART. (Suburban Authority for Regional Transportation.)

The Michigan House passed the transit bill before the holiday break, and the Michigan Senate is expected to take it up shortly. But make no mistake about it, the road ahead will not be easy, especially if the legislature puts on the table an increased property tax to fund this new system.

Why is a property tax not acceptable to Oakland County? Because there's a great disparity in property values between Oakland County and the City of Detroit. A one-mill property tax levied on Oakland County residents would generate \$48 million compared to \$7.2 million in Detroit. Because of the huge disproportionate gap in revenues generated by the use of a property tax, such an increase is not an option that we can support. The debate is yet to be fully engaged on the source of equitable funding for the millions of tax dollars required to build and operate a credible mass transit system. I want to thank Jerry Poisson for yeoman's service on this complex issue.

If you think regional transit is a thorny issue with an oppressive price tag, consider the daunting prospect of paying for regional water and sewer infrastructure improvements that will be needed over the next three decades. The Southeast Michigan Council of Governments estimates that Oakland County alone faces \$11 billion worth of drain and sewer upgrades during the next 30 years. Folks, you heard that right: \$11 billion over the next 25 to 30 years to be absorbed by the taxpayers of Oakland County. And that figure does not include the billions that will be required to deal with water quality issues, which according to some experts, will approximate the same level of investment.

There is real and constant pressure to deal with these multi-billion dollar water and sewer issues. Federal Judge John Feikens, who oversees the enforcement of the Federal Clean Water Act, is threatening to slam the door shut on future development in the region unless progress is made on cleaning up our water. By "slamming the door shut," I mean he could simply issue an injunction that says there will be no more permits issued for construction in southeast Michigan until the court deems the quality of our water supply has improved. If such a ruling were to occur, it would bring to a screeching halt the booming economy in Oakland County that we've enjoyed over the past several decades. We'd simply be out of business.

Now we're obviously at the table in this litigation. Our new Drain Commissioner, John McCulloch, has been very creative in advancing new paradigms to deal with water quality issues. For example, Mr. McCulloch recently suggested that we begin to look at water quality issues based on watershed regions rather than political boundaries. I applaud his creativity, and I'm sure Judge Feikens will as well.

Further, you should know that in the year 2003 strict federal guidelines take effect that make it mandatory for most of our communities to obtain storm water permits to address the run-off caused by heavy rains. We don't really have a handle on what the price tag will be to meet this new requirement, but we do know that it will be in addition to the billions I've already mentioned for drain and sewer improvements.

While I'm on a roll for bad news, add this to the mix: the 3.5 million customers served by the Detroit Water and Sewer Board, which includes many Oakland County residents, are looking at some staggering expenses that will have to be absorbed by the rate paying consumers. First, there's an estimated \$500 million tab to bring the beleaguered Detroit Water and Sewer Board system into compliance on a wide range of deferred maintenance issues. Secondly, that same Board is preparing to undertake the construction of a new \$400 million water filtration system, also to be paid for by the rate payers. Finally, consider the warning of former Mayor Archer who said that \$1 billion a year will be needed over the next ten years to upgrade and maintain the Detroit Water and Sewer Board system.

The bill won't be in the mail today, but the piper will have to be paid tomorrow, probably by our kids. As an aside, let me say this: I think you can begin to understand now why I am so persistent about seeking quality development in Oakland County. Oakland County and its residents will be paying some hellacious infrastructure costs in the future. I'm trying to develop a growing, long-term, dependable tax base to help absorb as much as possible these draconian charges we will be facing. And woe to those communities who spurn the opportunity for economic development; when the time comes their cupboard will be bare, and their taxpayers will have nothing to eat but the bills.

## ***VERTICAL INTEGRATION***

We've seen the President and the Governor talk about declining revenues at the national and state level. Oakland County is not immune to similar revenue constraints, but as you've heard tonight, prudent fiscal management has put us in an enviable position. Therefore, in an attempt to ease as much as possible the financial burdens on our local communities, Oakland County has made available to them more than \$90 million worth of technology programs at our expense. We have given our local communities free access to GIS, Access Oakland, internet service, e-mail and data warehousing. For a nominal charge they can also enjoy the many advantages provided by CLEMIS and our land records and fire records management systems.

## ***DONOR STATUS...AGAIN***

But the economic strength of Oakland County turns out to be a double edged sword. While enjoying the benefits of high wages, rising property values and a recession resistant economy, Oakland County has the disadvantage of being targeted by the State as a kind of Fort Knox from which millions of dollars can be siphoned off annually to subsidize programs in Michigan's other 82 counties.

Although Oakland County comprises just 11 percent of the state population, it represents more than 20 percent of its taxable value. According to the most recent Senate Fiscal Agency report, Oakland County residents and businesses paid \$1.4 billion more to Lansing than they got back in public and educational services. We are the only such donor county in Michigan. In Oakland County's case, it means that each man, woman and child contributes more than \$1500 to pay for public services distributed outside of Oakland.

This systemic and incessant erosion of Oakland County's revenue base, which is being diverted to the rest of the state, cannot be allowed to continue if we are to maintain our role as economic engine that fuels the Michigan economy. As I've pointed out tonight, we have some huge bills coming our way and we need our tax dollars to meet our own obligations.

I'm sure the State thinks all I do is complain, complain, and will probably rest easier when I'm gone. But while I'm here I'm going to continue to highlight the State's embarrassing dependency on our economy and the unfair burden it shifts to Oakland County taxpayers. Basically, it's my feeble attempt at governmental weaning.

## **AWARDS**

Once again, you've heard me speak tonight about the quality services we produce here in Oakland County government. The inculcation of technology that allows us to better serve the public: a pristine park system enjoyed by tens of thousands of our residents every year; technologically advanced law enforcement services that keep our communities safe; a health department that initiates programs that continually improve our health and vigilantly protect our environment. When it comes to efficient service, Oakland County government is a model to be emulated.

I stand here every year and take the bow for the successes of Oakland County. I suppose that's the nature of the beast. But I want you to know behind every headline, behind every trophy, behind every plaque, behind every award that I gratefully accept on behalf of Oakland County, there are 4,400 honest, hard working, committed, dedicated employees who try to provide you the best service possible. And if they have to wear masks and rubber gloves to do it, they will.

Our employees give back to the community through such programs as our "Casual Day Fund." We donated \$18,000 in the aftermath of September 11, and at Christmas time, we gave an additional \$20,000 to local charities so kids could have a better Christmas.

Our employees support the Employee Suggestion Program, which has saved taxpayers more than \$4 million since 1993.

For the tenth consecutive year, the Department of Management and Budget was awarded a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada. It also received the GFOA's Distinguished Budget Presentation Award, and the popular Annual Financial Report Award which made Oakland County the only county in Michigan to receive all three prestigious awards simultaneously.

There are numerous individual honors garnered. Bob Runyon, a technician in Oakland County's radio department, was selected as Communications Technician of the Year by the Michigan Police Officers Association. Jeff Pardee, Management and Budget Director, became one of the first four people in the nation to earn credentials as a Certified Public Financial Officer. Jeff scored the highest of any candidate in the nation on the Auditing and Risk Management portions of the test. Parks & Recreation's Sandy Dorey won two awards: the Sondra Berlin Humanitarian Award and the Lifetime Achievement Award presented by the Michigan Athletes with Disabilities Hall of Fame. Darwin Spaysky of Children's

Village was selected as the Michigan Child Caseworker of the Year in the secure category. Delores Burch of Children’s Village was given the same honor in the non-secure category. Oakland County is the first county ever to receive both awards from the 26-member Juvenile Detention Association.

Ladies and gentlemen, only the constraints of time prohibit me from listing all of the individual awards bestowed upon departments and individual county employees over the past year. But please join me in acknowledging them and thanking them for their good service.

### **CONCLUSION**

Let me conclude tonight with a dangerous topic. Dangerous only because I’m not sure I can get through it without tearing up. Would my little granddaughter Taylor come up here and join me tonight?

When Taylor was born on May 1, 1994 she weighed a little over two pounds. Had she been born 15 or 20 years ago, it is pretty much an accepted medical fact-of-life that she would not have survived. But Taylor, who arrived 11 weeks early, not only survived, but grew into this gorgeous little girl...probably Homecoming Queen in ten more years.

The reason Taylor is such a healthy girl today is because when she was born she was quickly placed into a neonatal intensive care unit that was made available through research funded by the March of Dimes.

It was expensive to defeat infantile paralysis...polio. Today, March of Dimes focuses its funding research on curing birth defects. With the money the March of Dimes raise they are funding medical breakthroughs...and little miracles like Taylor are romping on playgrounds across America...or sitting on their papa’s laps, like tonight.

Where am I going with this? Well, the largest fundraiser for the March of Dimes across this country is the “WalkAmerica” effort. Corporations across the USA, including many here in the tri-county area, field teams every spring. In good nature taunting we compete against each other. Ever since I’ve been County Executive, Oakland County has fielded a team in the WalkAmerica event, coming in either third or fourth among a thousand entries every year. Not bad.

Do you know who the Number One Team for the last 14 years has been? Do you want to know the name of the Number One Team that has raised \$3 million in Michigan and \$33 million nationally for the March of Dimes during these years?

There's been one team consistently on top; consistently fielding the most walkers, consistently raising the most money, consistently donating the most dollars for research, including the neonatal intensive care unit at North Oakland County Hospital where Taylor spent the first three months of her life.

That team is the Kmart Team. That's right. Year after year, Kmart takes First Place. And as they did so they established themselves as the preeminent caring corporate citizen who gave back generously to the community that it served.

And we all know from reading the press what pressures this good corporate citizen is facing tonight.

There's no question in my mind they'll be standing tall next year when they complete their restructuring. They are still the nation's third largest retailer.

But the point is they have helped us in so many ways, we now have an opportunity to help them.

Here's what I plan to do, and I ask you to join me.

I have spoken with my Purchasing Director, and for the next 18 months Oakland County will shift some of our purchasing power over to Kmart. We have 1500 inmates in our jail to feed a day. That's a lot of potatoes. We buy clothing for more than 100 kids who live in our Children's Village. We wax over 1.8 million square feet of office space. We buy windshield solvent and anti-freeze for over 640 cars. The list goes on.

Over the next 18 months I intend to shift \$50,000 a month in purchasing these kinds of supplies at Kmart. That's over \$600,000 a year. Now if I could get 200 more companies to do the same thing, together we will have generated over \$100 million in new revenue for Kmart in a 12 month period. More than \$100 million to help a company who has helped us in so many ways...and one of them is right here.

Some may ask, "Is this a proper role for government, to try and help one of its corporate citizens in this way?" I say "Absolutely!" Four thousand of our fellow Oakland County citizens work at Kmart, a corporation which in turn pays more than \$3.5 million in property taxes in the various communities across Oakland County. So not only are they a good corporate citizen, they are also a strong investor in Oakland County.

Maybe your company is not large enough to shift \$50,000, but if enough companies can shift \$10,000 or \$20,000 in purchasing dollars, we could reach the same goal.

Who knows, maybe Cleveland, Indianapolis, St. Louis, Kansas City, other communities who have benefited from Kmart's good corporate citizenship will follow our lead. And when those new dollars start dropping to the bottom line as Kmart restructures over the next 18 months, it would be a way for grateful communities to say "thank you."

It will be a way for Taylor and I to say thank you.

As you leave tonight there will be envelopes in the lobby that explain the details of this program. Please take one.

Oakland County is a great place. I love working here, I love working with my 4400 employees, and I respect the citizens, both individual and corporate, who have helped build the quality of life that we enjoy here. And I thank you for the privilege to represent you as County Executive these past nine years.

Thank you and good night.

**L. BROOKS PATTERSON  
OAKLAND COUNTY EXECUTIVE**