

STATE OF THE COUNTY ADDRESS
OAKLAND COUNTY EXECUTIVE L. BROOKS PATTERSON
FEBRUARY 26, 1998
7:30 P.M.
MSU MANAGEMENT CONFERENCE CENTER
TROY, MICHIGAN

Mr. Stempel...distinguished guests...ladies and gentlemen:

It is both an honor and a privilege for me to stand here before you tonight to report on the State of the County. I sincerely appreciate all of you joining me this evening.

What is the state of our county?

You be the judge: this is a county whose books are balanced, whose surpluses are mounting, whose current financial position has brought rave reviews from Wall Street. Oakland County's health and retirement accounts are funded and actuarially sound. The county funded work force is declining in numbers while productivity is increasing. Oakland County's private sector can challenge any comparable sector in America when it comes to business strength. The effective buying power of our 40,400 businesses in 1996 was estimated to be \$26 billion, greater than the buying power of 19 states. Our county created 27,000 jobs in 1997 and will duplicate that feat again in 1998 -- and these are good paying jobs which translates into Oakland County now being ranked the third wealthiest county in the United States based upon its per capita income. This is a county whose construction investment each of the last two years was estimated to be \$1.8 billion, and that will be replicated again this year. In other words, the dollar amount of new investment in Oakland County each year exceeds the total existing tax base of 74 Michigan counties.

What is the state of Oakland County you ask?

It's nothing short of "Boom Town." And from what we can determine, the good times will continue.

I could probably stop my State of the County address at this point...but I won't. Since I have you all here as a captive audience I'm going to take advantage of this opportunity to talk about this great county, a county that I have served for over 24 years, first as Prosecuting Attorney and now as County Executive.

As I said a moment ago, it is an honor and a privilege for me to stand here before you tonight. And I mean that. I'm so proud of Oakland County...where we have been, and where we are going. I'm equally proud of the people in this room, and those who are listening at home or will read some of my remarks in the paper tomorrow. It is you who have built Oakland County into this dynamic community...this robust and vibrant "city in the country."

From farm fields to high-tech parks, from a rural, modest, agricultural community at the close of the last century to a nationally recognized technological leader as we close out this century: the metamorphosis that has been Oakland County has indeed been remarkable.

Oakland County has truly evolved into a high-tech leader in the United States. It's like the proverbial stone rolling down hill. It picks up momentum. Success breeds success. And I'm absolutely convinced that Oakland County's technological superiority will continue to expand exponentially, and we will lead the nation in high-tech business development as we move forward into the next century.

When it comes to Oakland County government, our residents expect it to be lean, efficient, and well managed, incorporating cutting edge technology into its internal management as well as its delivery of services.

So let me focus tonight on Oakland County, its programs, its successes and challenges, both past and present, to see if we are

measuring up to the public's rightful expectation of sound management and innovative planning.

1997 IN REVIEW

The year 1997 started out with a trip to New York to convince two of America's most prestigious bond rating firms that Oakland County had earned another increase in its bond rating. Once again, as it had in 1996, our argument was well received. For in May of '97, just two short months after making our presentation, Standard and Poor's and Moody's Investor Services each raised our bond rating one notch higher.

In giving the county such a vote of confidence, both firms cited Oakland County's positive economic environment, good management practices, low debt burden, and diversified job base as reasons for the upgrade in our bond ratings for a second consecutive year. The end result is that Oakland County is in position to save millions of dollars in future borrowing costs.

Not content to rest upon our laurels, I led another delegation of county officials to Wall Street this year to argue for yet another increase in the county's bond rating. I'm delighted to report to you tonight that Moody's Investors Service, just a couple of days ago, responded favorably by raising our bond rating to the highest level enjoyed by any municipal corporation in the state of Michigan.

In 1997, our Health Division was confronted with a major challenge: an outbreak of Hepatitis A. The scare was put behind us as quickly as possible by pinpointing the source of contamination and taking remedial action within a two week period of time.

The Health Department was tested in yet another arena this past year: in the political arena where they had to clear significant hurdles in order to implement a mandatory well inspection policy for the residents of Oakland County. The debate over how to best protect residents who live on the county's 250,000 wells raged on for nearly two years before finally being laid to rest in late 1997. My Administration, representing the Health

Department, was determined to have its way: all new wells must be inspected. And that requirement is in the policy passed by the Board in 1997.

I'm glad the debate is over, and a strong well policy is in place. It got downright nasty for a while. In fact, at one point in the debate, one of my opponents referred to me as a "prevaricating pettifogger." But all that's behind us now, and with a meaningful policy now in place we can go onto the next step which is to advocate legislation at the state level that would require all wells be checked as a prerequisite to closing on the sale of a home.

County government is called upon to do many important things, but nothing could be more important than insuring the purity of the drinking water which we are pledged to protect.

OAKLAND'S PRIVATE SECTOR

One of the continuing successes during my tenure as County Executive of which I am most proud is the networking that we have fostered with the private sector. We have some of the best and brightest corporate leaders in the world among the 40,400 businesses in Oakland County. They are successful, knowledgeable, innovative, and they are a natural resource to be tapped.

Recognizing this talent pool, back in 1993 I organized the Oakland County Business Roundtable and ever since I have enjoyed a phenomenal relationship with our business leaders as they provide me with sound advice to help position Oakland County business and government to face the challenges of the forthcoming millennium.

In 1997 I decided to restructure the Business Roundtable as a permanent advisory board to the County Executive and streamlined its operations. Instead of 12 subcommittees there will now be six. Dr. Gary Russi, President of Oakland University has joined with former General Motors Chairman and CEO Robert Stempel as co-chairs of the new Oakland County Business Roundtable.

The restructured Roundtable has a tough act to follow. Its forerunner was successful in submitting 142 recommendations to help maintain Oakland County's economic strength well into the next century. By the way, we have implemented eighty of those recommendations so far.

Because of the outstanding work of the Roundtable, Oakland County now has a state-of-the-art "One Stop Shop" for business development, an Export Assistance Center to help companies initiate or expand their trade opportunities, an electronic marketing plan on the Internet designed to attract business to Oakland County, plus a host of other pro-business initiatives.

In July, we formally rededicated the Oakland County International Airport. In so doing we celebrated more than just a name change. We toasted Oakland County International Airport's growing prominence as one of America's aviation gateways to the world. This airport, Michigan's second busiest, recorded over 365,000 takeoffs and landings in 1997 - this places it among the top 30 busiest airports in the world. Since full-time customs service began in 1996, Oakland County's international traffic has increased from 700 flights a year to 3,500 a year. A new \$5.6 million air traffic control tower provides more space and better visibility for staff which translates into greater safety for the airport's many customers.

In September of 1997, we broke ground for a new \$10.2 million, 38,000 square foot facility which will house the Medical Examiner and his professional staff. Their current home, located at the rear of the Oakland County Jail, was inadequate almost from the day it was built in 1970. Back then, the M.E.'s office performed 200 autopsies a year, but today their workload has increased to over 1,100 autopsies annually. The 5,500 square foot space in which they have been forced to do their work just doesn't cut it anymore.

And a side point to make about this \$10 million building: Oakland County didn't bond it, we paid cash for it -- a point not missed by our friends on Wall Street.

One of the most monumental undertakings of the past year has been the Phase I implementation of the new Human Resource/Financial Information System. The purchasing and accounting components of this financial system were brought online October 1, 1997, along with the change in our fiscal year to coincide with the state and federal fiscal years. This new system provides greater flexibility and accountability in financial reporting than that provided by the 25 year old system it replaces. Again, it is state-of-the-art technology, incorporated into Oakland County's daily business practices.

Work has already begun on Phase II of the financial system which will include performance series budgeting, inventory management, asset management and accounts receivable.

GEOGRAPHIC INFORMATION SYSTEM

Let me give you a quick snapshot of the progress being made on the GIS front - that's the Geographic Information System - since I talked in great detail about this ongoing project in my last State of the County address. At this time last year we had converted about 95,000 parcels of the county's 430,000 parcels of land from paper-based maps to a digital format. By the second quarter of this year, we expect to have over 250,000 parcels of property converted to the new computerized system.

When the whole conversion process is completed by the end of next year, we will have moved from 4,500 manually maintained paper maps to a single high-tech digitized map which will offer infinite applications for both government as well as private sector utilization. (A demonstration of the GIS potential will take place in the lobby following my remarks.)

Knowing that GIS will be an increasingly important high-tech tool of the future, not just in Oakland County but across the United States, we believe its implications for education are also significant. As a result, we have entered into negotiations with officials at Lawrence Technological University in Southfield to see if this progressive institution of higher learning would be interested in becoming a GIS regional center for southeast Michigan. Oakland County and LTU would join in a coordinated

effort to incorporate GIS components into the University's technology core programs.

COMMUNITY CORRECTIONS PROGRAMS

Two additional innovative programs which have achieved a great deal of measurable success in the past year and hold out hope for the future in terms of relieving jail overcrowding are the "Impact Weekend" and "W.A.M." which is an acronym for Weekend Alternative for Misdemeanants.

Both programs are administered by my Community Corrections Division.

"Impact Weekend" is geared toward the first and second time drunk driver who is put through an intensive three days of group therapy, didactic lectures on alcoholism, and a victim's impact panel. Listen to this: only three percent of the people who go through the program are ever re-arrested for drunk driving offenses. (This compares favorably to the state's subsequent arrest record of 33%.)

Even better, the violators pay for their own punishment. Instead of the county absorbing the \$68 a day cost of locking them up, the individuals in the Impact Weekend Program pay \$175 out of their own pockets to start back on the road to recovery. Since Impact Weekend began, a total of 1,298 drunk driving offenders have gone through the program at a cost savings to Oakland County of more than \$264,000. Oakland County's innovative approaches are catching on elsewhere. Traverse City has copied our program and Jamestown, New York is modeling a program after what we started here in Oakland County.

"W.A.M." is another money saving program which has garnered national attention and national awards. It is an effective tool in our continuing battle to relieve jail overcrowding. It cost the County only \$12-\$15 per day to put someone in W.A.M. compared to the \$68 incarceration cost a day I've already cited. Since the program began last August, more than 200 people have participated in W.A.M. - and in the process the County has saved more than \$74,000 in jail expenses.

Just because these non-violent offenders are not locked up behind bars doesn't mean that they have it easy. Far from it. On weekends, under our supervision, these misdemeanants are involved in such projects as clearing 20 miles of park trails, painting a district courthouse, washing and waxing Road Commission vehicles, sprucing up an inner-city church, and helping the city of Royal Oak collect discarded Christmas trees.

They're working for the taxpayers.

I-75 INVESTMENT

Under the topic of Economic Development, last year I recommended to the Board of Commissioners, and they approved, my proposal to invest \$3 million as one-fourth of the cost to construct an egress ramp from the Chrysler Technology Center to northbound I-75.

I choose the word "invest" advisedly.

With the \$3 million from Oakland County, the Michigan Department of Transportation has agreed to invest an additional \$9 million to upgrade the I-75/M-59 corridor at that location.

The project improvements could increase the workforce by as many as 4,000 new jobs at the Chrysler Technology Center. These jobs, coupled with \$400 million in expected economic development, will insure that Oakland County will get its investment paid back in as little as three years.

Equally important, the upgrading of the ingress and egress from the Chrysler Technology site will improve traffic and safety conditions for thousands of county taxpayers every day. The more than 22,000 taxpayers employed by some 50 major corporations in that area will benefit from a safer and faster commute.

COST CUTTING MEASURES

For a number of years now, Oakland County has been a leader among governments in finding ways to reduce costs. One of our

approaches, overwhelmingly supported by the public, is to achieve certain savings through the process of "privatization." (That is the approach of contracting out services which can better be performed by the private sector than by government.)

Since 1993, the savings generated by our privatization efforts approach \$2,000,000 annually. In those instances where we have contracted out services -- the Medical Care Facility, the Civil Division of the Sheriff's Department, the Bump Shop, and most recently, the Dental Clinic, in addition to cost savings, greater efficiencies have also been achieved. In the case of our most recent privatization effort, the Dental Clinic, privatization will save not only \$250,000 a year, but our clients have greater access to services provided. There are now five dental clinics instead of two to better serve the public.

We have cut costs in other ways as well. For example, our mail room which handles about 9,000 pieces of mail daily expects to save \$40,000 annually by simply hiring a company to pre-sort the mail instead of mail room employees doing it by hand.

Another significant cost savings was realized in the elimination of longevity pay for county employees. Previously, county employees could receive up to as much as ten percent of their salary as a bonus, depending on their years of service in county government. This longevity pay served as an inducement to keep valuable employees from leaving county government for higher paying jobs in the private sector.

But as the salary levels for many positions in county government reached parity with the private sector, the decision was made to eliminate longevity pay which, again, was paid for length of service and had nothing to do with job performance.

Since the elimination of longevity pay for new hires, the county has saved more than \$5 million and that savings will continue to grow in the years ahead.

Also, under the heading "Cost Reduction" is the successful effort undertaken by Mike Worrell, the manager of the Children's Village. This past year we upgraded a number of our programs offered at the Village and made significant alterations to one of our buildings so that adjudicated youngsters could be housed there instead of being farmed out to more expensive state institutions. Oakland County will now save an estimated \$450,000 annually by housing our wards locally.

I mentioned before the swiftness of our Health Department in responding to a Hepatitis outbreak, well they were busy on other fronts as well. In 1997, the Health Division waged an all out assault on the immunization rate for infants under two years of age. When this effort was initially launched, the county's immunization rate was 56 percent. When the state conducted an independent audit last summer the percentage of babies in Oakland County protected by immunization had risen to an impressive 82 percent.

FUTURE CHALLENGES

While it's good to review the past to see what we have accomplished, it's also important to keep an eye on the road ahead to see where we are going. The future for Oakland County beckons great challenges and commensurate rewards.

One of the challenges facing us in 1998 is the renewal of the one-third mill to fund SMART -- the Suburban Mobility Authority for Regional Transportation. Three years ago I turned my mother's picture toward the wall and gave my support for the passage of a millage to help fund the SMART transportation system. At that time I reviewed all the arguments and I determined that a regional transportation system, such as SMART, is a necessary and essential component of a thriving business community -- you've got to get workers to their jobs, shoppers to the malls, and public transportation dependent people out of their homes.

But my support for a one-third mill for three years was conditioned upon SMART making some fundamental improvements in its overall operation.

I am delighted to report to you tonight my faith in SMART was not misplaced. Today, SMART is a more streamlined and efficient transit system which relies less on the old, larger, linehaul busses and more on the newer, sleeker, smaller busses that are able to go more places and provide greater community based service. SMART has reduced its budget deficit by \$13 million and is well on its way to achieving a balanced budget by the year 2000, as promised.

Ridership on SMART's new suburban routes has more than doubled over the past three years, and the antiquated fixed route system has been redesigned to include ten new routes on 250 miles of roadway where public transportation had not been available before. The result has been record ridership with service made available to more than 10,000 new employers and 150,000 new employees.

SMART has earned a supportive vote for this summer's millage renewal election because they have been faithful to the pledge they made to you three years ago to improve the bus service and reduce costs.

CLEMIS

By the fourth quarter of this year, the Oakland County Sheriff's Department will become the first of 45 local police agencies to be hooked up to the new computerized crime data sharing network called CLEMIS (an acronym for Courts and Law Enforcement Management Information System). Soon thereafter the remaining Oakland County police departments will be brought on line to this high-tech communication system as quickly as possible.

For nearly 30 years the old mainframe based CLEMIS system served the law enforcement community well. But, technological improvements are inevitable and the new CLEMIS will provide our law enforcement community a superior, more flexible, functional system.

In time we expect the new CLEMIS to pave the way for regional discussions with the City of Detroit and the counties of Wayne and Macomb, as well as individual communities within those counties, who also

need to share law enforcement data. Criminals don't recognize Dequindre or Eight Mile roads as dividing lines, our computer systems should not either.

Eventually I foresee a component being added to our CLEMIS system to make the job of EMS and fire personnel a little easier as well. Just imagine what a benefit it would be if emergency personnel could access, from lap top computers in their vehicles, critical data, such as the contents of a burning building, entrances, exits; even the location of fire hydrants would be literally at their fingertips.

When peoples' lives are at stake, valuable seconds can sometimes make the difference between life and death, and we have the technology now in Oakland County to make that difference.

Part and parcel of our efforts to upgrade CLEMIS is a parallel plan to improve our Emergency-911 system. One of the major problems we face today is that 15-25 percent of the calls made to 911 come from people using cell phones. Often times they call from locations with which they are unfamiliar. They cannot always give the 911 operator accurate information to get help quickly to the scene of an emergency. A study we have undertaken will address this problem and will assist Oakland County in complying with federal regulations that take effect in the year 2001 which require emergency aid officials to be able to pinpoint the location of a 911 call within 125 yards.

With all the changes being made in our crime fighting effort, the new CLEMIS, our state-of-the-art mug shot and fingerprint system, lap top PC's in patrol cars, and a revamped 911 system -- Oakland County will have a technologically superior law enforcement network fully in place within the next two years.

Last year in my State of the County I introduced the concept of "Enhanced Access" to you. Such a program would allow remote access to county records through the use of the Internet. Well, I'm delighted to announce that the enabling legislation was put in place last year and we are now moving forward on one of the most unique programs in America.

People who have access to the Internet will be able to call up land records on computers in the privacy of their home or office by the second quarter of this year. Next, some court records may be made available as we continue to expand the realm of enhanced access for the convenience of the public.

CHILD CARE

In my State of the County speech last March, I introduced the idea of establishing child care for working parents employed here in county government. With the combined leadership of my Personnel Director, Judy Eaton; Facilities Management Director, Dave Ross and Risk Manager, Stan Fayne, that idea is being transformed into reality. By the end of this year I fully expect to have child care available on our campus.

Not only is a child care program good for our employees, but it is good for county government as well because it will help us retain quality personnel. It will put us on a level playing field so we can compete with the private sector in the recruitment of new employees. A case in point is a computer program applicant who turned us down for a job in the private sector because we didn't offer child care.

The Board of Commissioners must still approve the final proposal, but I am confident they will since they have been so supportive during the planning stages.

DEFERRED RETIREMENT BUY-OUT

Back in 1994, in an effort to cut costs still further, my Administration contacted 400 people who had previously worked for Oakland County and had stayed long enough to vest in our retirement and health systems, but left before reaching retirement age. We assumed many of them went to work in other places and qualified for health and retirement benefits from their subsequent employer.

So we made them an offer: for those years that you worked for Oakland County we will give you an early lump sum payment on your

retirement benefits. The offer would not cost the county taxpayers a dime since it was the employee's money already set aside in the retirement fund. In return for the early retirement buy-out, those former employees were asked to surrender any claim they might have against the county's health benefits in the future, again figuring that some of them had vested in a subsequent health program. We figured they didn't need two separate health programs in retirement.

In 1994, 151 employees out of an eligible 400 that we contacted accepted our offer. We realized an immediate \$9 million savings in the employee health care trust fund. Over the next 30 years we should achieve an additional \$23 million in savings.

The plan was so successful I'm announcing tonight we are bringing it back for an encore performance. Once again we will be contacting those employees who are eligible for an early retirement buy-out, and we look forward to recording substantial savings once again for the taxpayers of Oakland County.

12 TOWNS DRAIN

On the horizon, certainly by the end of this decade, the problem of the 12 Towns Drain that services 14 southeastern Oakland County communities must be addressed. Increasing population, expanded development, very restrictive and largely unfunded, environmental regulations imposed by federal and state governments have created a crisis. The Michigan Department of Environmental Quality (MDEQ,) the enforcer of the EPA's Clean Water Act has been given a green light to impose new permit requirements that will cost the 12 Towns communities millions of dollars as they are forced to expand and upgrade their facility.

Originally, MDEQ was looking at a \$1 billion pollution solution for 12 Towns, but a settlement was negotiated by our ever-vigilant Drain Commissioner George Kuhn which will lower the cost for phase one to between \$95 million and \$140 million, still a hefty price tag, especially when you consider the 12 Towns communities arguably account for about five percent of Lake St. Clair's pollution problems.

And let me raise the red flag a little higher tonight: the 14 communities in the 12 Towns district are not the only ones in Oakland County facing a financial threat from new governmental environmental requirements. They just happen to be the first. There are several other clean water initiatives which will put more demands on our communities' limited resources. For example, the Detroit Water and Sewer Department wants its suburban customers, including those in Oakland County, to pay 20 percent of the estimated \$1 billion cost for phase one of its combined sewer overflow problem. It is safe to say we are gearing up for a fight.

Tonight, I would say to the residents of Oakland County's cities, townships and villages who may be called upon to bear the burden of multiple new assessments to remedy pollution problems - you do not stand alone. The county will stand shoulder to shoulder with you just as we did with the 12 Towns in 1944, again in 1960, and again in 1970 when the current 12 Towns retention facility was completed. We will be there for you, just as we were for the south and central Rouge River communities with the CSO projects, and the communities in west Oakland with the Wixom treatment facility.

Specifically, I am prepared to recommend that Oakland County come to the assistance of its local communities in the following four ways:

1. This past week we have acquired the services of a nationally recognized grants writer who has a track record of finding available federal dollars to fund important governmental projects. I will make this grants writer available to each community as it looks for new revenue to satisfy the costs of pollution abatement.

2. I will recommend to the Board that the county absorb the cost associated with a downspout survey program scheduled to be kicked off this summer. MDEQ has to know how many homes in the 12 Towns district have waterspouts that are connected directly to the sewers. There are about 65,000 homes that have to be surveyed. We estimate the cost of such a program, using trained college students during the summer, to be approximately \$160,000.

3. I will recommend to the Oakland County Board of Commissioners that they reduce the county millage rate - that is, our level of county taxes - to 4.19 mills. If the County Board accepts my recommendation, Oakland County, at 4.19 mills, will have the lowest tax rate of any county in the State of Michigan.

I'm prepared to make this dramatic reduction in a sincere effort to free up as much money as possible to the local units of government who will be forced to bond huge construction costs. Under my plan, the local units of government will have the option to reimpose the tax cut at the local level, thereby creating a local revenue source for debt service on their anticipated bonds but without adversely impacting the taxpayer. Or the local units of government have the option of simply passing the tax cut onto their residents, thus offsetting a portion of the higher water bills that will be incurred to cover debt service on future bonds.

If all the local units of government across Oakland County were to reimpose the tax, the revenue generated would allow them to service a bond debt associated with \$68 million of new construction costs. (Singling out the 12 Towns district, reimposition of the tax would allow those communities to service a bond debt that is associated with \$25 million of construction costs.)

4. I have recommended to County Treasurer Hugh Dohany, the keeper of the multi-million dollar Delinquent Tax Revolving Fund, that the county distribute from that fund \$5 million a year for five years to set up an Environmental Infrastructure Fund. This \$25 million would be made available to local communities across Oakland County to assist them in paying for the cost of pollution abatement.

Subject to the Board of Commissioners approval, the county is prepared to put up through cash or through tax reductions, the equivalent of \$93 million to assist Oakland County communities in dealing with the costs of their looming environment problems.

Ladies and gentlemen, you should also recall that this is the third year in a row that I have recommended a county tax reduction. If the Board accepts this cut that I have called for this evening, the county will be

foregoing \$11 million in tax revenues it would otherwise be eligible to impose and collect.

I will resist the temptation to cut taxes further or reduce the Delinquent Tax Revolving Fund beyond what I have recommended. I cannot, as County Executive, endanger our cash position. Let me give you one good reason why: Oakland County paid \$10.2 million cash for the new Medical Examiner's building; we paid \$7.2 million cash for the purchase of a building in Troy to house our new South Oakland Service Center; we have set aside \$15.5 million cash for the construction of two new District Courthouses. The fact that we have paid cash for these buildings instead of bonding for them will save us, over the life of those bonds, \$24.8 million in interest that the taxpayers did not have to pay.

BROWN FIELDS

Looking ahead, while there remains a lot of land in Oakland County's 910 square miles that could be developed, we realize it is a valuable, if not finite, resource. Cognizant of our pace of development, last year I launched a program we call our "Brown Field Initiative" which targets the cleanup of commercial properties which have been exposed to some sort of contamination. The idea is to clean up these parcels of land and make them attractive to redevelopment. While "brown fields" are not a major problem for Oakland County right now, our goal is to devise a plan of action which will adequately address this environmental problem long before the need arises for the commercial development of those areas.

The redevelopment of the old Reichold Chemical Company site in Ferndale serves as one example of such a successful effort to deal with such a troubling environmental problem. The county was able to work with the city, the company and the citizens to alleviate fears of leaking, underground storage tanks on the property. A mitigation and reuse plan was developed for the site. So successful was the effort that our Planning and Development Division won an Outstanding Project Award from the Michigan Society of Planning Officials.

THREE NEW INITIATIVES

Before I draw to a close this evening, there are three new -- and I think exciting -- initiatives that I would like to announce this evening.

The first refers back to my opening comments about Oakland County as an economic powerhouse when compared to other counties around the United States. When we made our presentation to Wall Street last month we pointed out to them that next to Manhattan (where we were that morning) and neighboring Nassau County, Oakland County has the highest per capita income of any county in the United States. We put up slides of the Chrysler Technology Center, 4.5 million square feet of office space under one roof, second only to the Pentagon in size. We told them that the Ford Wixom Plant is expanding its facility to 4.7 million square feet this year. We talked about the new Taubman Mall on I-75 -- 1.7 million square feet, 200 stores, 14 anchors. We talked about our international trade - of 3,043 counties in the United States, Oakland County ranks second in the U.S. when it comes to export activity.

What we didn't tell Wall Street is what I want to share with you right now.

The 40,400 businesses in Oakland County don't compete with Wayne County or Kent County. Oakland County's business community, especially the high-tech core of businesses that are concentrated in Oakland County, compete against the Silicon Valley in California's Santa Clara County. We compete with Route 128 in Boston.

We compete head-to-head with the top economic regions in the country, if not the world. And we more than hold our own!

I asked my economic development team to identify just a few of the high-tech firms you see every day as you drive down I-75:

Cardell Corporation
Chrysler Technology Center
Delphi Automotive Systems

EDS Corporation
Guardian Industries
Haden Schweitzer Corporation
Jabil Circuit Company
Magna Ltd.
Siemens Automotive Corporation

If you are into cutting edge technology in such diverse areas as: robotics, computer aided vehicle design and testing, amorphous synthetic materials, photovoltaics, industrial automation, aerospace and off highway test systems, welding and bonding processes, stereo lithography, three dimensional vision systems, virtual reality software, computer simulation, human blood plasma products and vaccines, or telecommunication hardware and software, you should have offices or plants here in Oakland County.

We've got it all here, and I believe it's time we leverage our strength and begin to market ourselves to the world!

Therefore, this month I have sent letters to the CEOs of the top 117 high-tech firms that line I-75 in Oakland County, inviting them to join me in forming a new national marketing conglomerate. I have dubbed this high-tech association that we are forming "Automation Alley - Oakland County's High-Tech Corridor."

It is my goal over time to make "Automation Alley" more recognizable than the Silicon Valley or Route 128.

The second initiative I would like to announce tonight, and I'm excited to do so, is directed at the small business community here in Oakland County. You heard me mention several times tonight we have 40,400 businesses. Ninety-five percent of those companies have 50 employees or less. Let's face it: small business is the backbone of our economy. It is the growing, job producing segment here in Oakland.

One of the costs faced by small business today - for that matter all business as well as government - is the rising costs of health care for

employees. What's the first question most prospective employees ask coming through the door: "What are my health benefits?"

Most small businesses find health care to be an extraordinary cost of doing business today. In recognition of this legitimate concern expressed by so many businessmen and businesswomen in Oakland, I'm delighted to announce tonight that we are in the process of finalizing a two-part program that will make health care available to employers in Oakland County at a rate significantly lower than other comparable health care programs in the marketplace today.

The first program option, directed at companies with 100 employees or less, will offer a standard health care program with a full range of health insurance benefits to select from, but at extremely competitive rates.

A second version of the program, offered in the alternative, for businesses with 100 or less employees, will be a subsidized health care program tailored for low to moderate income employees.

We feel confident that we will be able to launch our health care plan for small business in Oakland County by the end of this year. Stay tuned for details.

And for the third initiative tonight: throughout the year, as I speak around the county and around the region, I tout the "Automation Alley" aspects of Oakland County. Anybody who has heard me speak knows that I brag incessantly about what the private sector has done here, and done so well.

But as I do so I'm always mindful not to overlook the other side of the ledger which I refer to as our "quality of life." Oakland County has 87,000 acres of park land, parks where you can camp, cross country ski, downhill ski, fish, hike and in so many ways enjoy the great outdoors. Eighty-seven thousand acres set aside not only for our enjoyment, but for the enjoyment of our kids and grandkids. We have 450 lakes. More lakes than any other county in the state of Michigan. We have 14 institutions of higher learning that today enroll over 53,000 young adults, preparing these youngsters to

meet the challenges of the next millennium. We have world class cultural amenities, not least among them, the Meadowbrooks, the Cranbrooks. We have five-star hotels and entertainment attractions that set the skyline aglow seven nights a week.

I want to celebrate this quality of life...and I want you to join me. Tonight I am announcing that Oakland County will host its first-ever county-wide Arts Festival.

But it will be done...Oakland County style. It will be more than just an arts festival. We want to celebrate our host of restaurants...we want to showcase our entertainment venues. So our festival will be a triple header: an art show, a taste fest, and a music festival, all rolled into one!

I've directed Steve Weikal, my director of Arts, Culture and Films Department, to take the lead on organizing this triple header for early September.

Plans are well under way. There is huge pent-up interest for this project. People are lining up now to participate, and I can assure you that you'll hear a lot more about this event that we are calling (believe it or not,) "Arts, Beats and Eats"... you got it "Arts, Beats and Eats."

CLOSE

For the past half hour I have brought you up to date on our present challenges and future opportunities. I hope you agree with me that the county is in great shape as we move toward the millennium.

Before I close, please allow me one personal expression. I want to thank all those in the audience, and those listening at home, for your outpouring of concern and affection when I had my recent visit to the hospital this past December. I appreciated your cards, I certainly was grateful for your prayers, and I want to thank you all for the baskets of good, healthy food that you sent to my house.

And one more personal note if I might. One cannot speak of Oakland County's government -- the past, present or future -- without acknowledging that the successes I have chronicled here tonight are due in every measure to the men and women of the Oakland County government who strive daily to provide the citizens of this great county with the most professional, polite, and efficient service possible.

I'm proud to work with the good people of Oakland County government...people like Dave Ross, my director of Facilities and Management. He's one of the most dedicated people we have in county government, always looking for newer and better ways to accomplish his task of managing a couple million square feet of county buildings.

When I spoke of my little bout in the hospital in December, it was nothing compared to what Dave Ross recently faced. He underwent a very delicate brain operation, on the operating table 11 hours this past February 6. Dave told me before he went into the hospital that his personal goal was to be well enough to be able to attend tonight's State of the County address in person.

Ladies and gentlemen, it gives me great pleasure to introduce all of you to one of the county's best: Dave Ross. Welcome back, Dave.

If I could, I would love to introduce you to all 4,100 county employees. They are a great group of men and women who do the good work and allow me to have bragging rights on occasions such as this tonight.

With the continued faithful allegiance to duty from our employees, and equally important, with the continued support from you, the citizens of Oakland County, I have every confidence that Oakland County will maintain its position as a world class community as we charge toward the next millennium.

Thank you, and good night.