

**MINUTES OF THE BOARD OF COUNTY ROAD COMMISSIONERS
MONROE, MICHIGAN
Monday, January 23, 2017**

1. At a Regular Meeting of the Board of County Road Commissioners at their offices located at 840 S. Telegraph Road, Monroe, Michigan on Monday, January 23, 2017 the meeting was called to order by Chairman Iacoangeli at 5:30 p.m.

2. Roll Call by Deputy Clerk as follows:

PRESENT

EXCUSED

Charles A. Londo

Greg Stewart

Dan Minton

Stephen J. Pace

Paul Iacoangeli

A quorum being present, the Board proceeded to transact business.

3. Commissioner Iacoangeli led the Pledge of Allegiance.

4. Commissioner Iacoangeli led the Opening Prayer.

5. PUBLIC HEARING: MCRC Revised Fee Schedule

Commissioner Iacoangeli opened the Public Hearing for the MCRC Revised Fee Schedule at 5:33 p.m.

Commissioner Londo asked for an explanation of changes to the document. Mr. Assenmacher explained the grey areas were modified, some housekeeping items done, the FOIA mandated language was updated. The language under the Utilities Section was added to address the recent issues surrounding the placement of Wireless Communication towers in the road right-of-way. This language will require deposits to help offset some of the cost associated with reviewing these plans for individual permits. The Fee Schedule hasn't been updated since 2012.

With no further comments, the public hearing was closed at 5:37 p.m.

6. Commissioner Stewart moved, seconded by Commissioner Minton to approve the January 23, 2017 regular meeting agenda as presented. Vote: Ayes: 5 Nays: 0 Motion carried.

7. Public Comment -

Ron Kopp, Triple D Tree Service in Carleton, addressed the recent bid award for the tree removal project to a contractor outside of the county. He reviewed the minutes of the meeting and saw where several of the Board members voiced a concern about using local contractors, yet the bid was still awarded to a company out of Grand Rapids. He explained that the local contractors have done the majority of the work in the county, and as an employer he has personally been grateful the work in the past. He felt awarding the bid to an outside contractor was rude and inconsiderate and stated he felt the local companies should get some type of priority consideration. While he understands the dollars and cents, he is concerned that the out of town company low balled their bid since the other three local companies were similar and still under the engineer's estimate.

Mr. Kopp asked the Board to change the way they awarded bid and give the local contractors priority consideration based on their experience and history of work done for the Road Commission. These three local companies have been doing work with and for the Road Commission for the last 15+ years. He felt it was good business to stay local since his employees live in Monroe County and they spend their money locally. The money is reinvested in Monroe County business and keeps people employed.

Mr. Kopp stated that the first time a project of this magnitude is advertised, the local contractors aren't given consideration even though they were at least seven (7) percent under the engineer's estimate. He again indicated he has always been grateful for the work in the past and hopes to be awarded future work with the Road Commission. His biggest concern was the out of town company would not be able to perform the work for the price they quoted and they would need to come back to the Road Commission to ask for additional funds, which would put the three local companies in line with a more accurate cost. He questioned if the Road Commission would grant additional monies to the Grand Rapids company should they not be able to finish within the approved amount and within the March 31st deadline. He would be extremely upset if this happened.

Commissioner Iacoangeli indicated public comment was not a time for questions and answers. If Mr. Kopp wanted to stay after the meeting and talk with the staff, he was more than welcome. Or he could schedule an appointment with Managing Director, Randy D. Pierce.

Mr. Kopp indicated he was not making a direct attack against the Board, simply voicing his displeasure that an out of town company low balled a bid when utilizing local companies should be a common practice of this Board. Had the Road Commission used a local company they were familiar the project could have been half done since we have had a mild winter, but the project hasn't even been started by the out of town contractor.

Mr. Kopp understands that you can't win every bid, but to have a company be some 20% below the engineer estimate seems ridiculous for them to be able to stay within the bid they were awarded. In the future, he would like to see the Board rethink how to give some consideration to local companies that you have worked with regularly for years. He thanked the Board for letting him speak.

8. The following items were listed on the Consent Agenda: *(with immediate effect)*

Commissioner Minton asked to pull item #4 for further discussion.

- 1) Approval of Minutes- January 9, 2017 Regular Meeting Minutes
- 2) Approval of Journal Entry

No. 19 Payroll Checks #63333-63344 & Advice #20505-20591	\$ 230,734.00
Bank Service Chare - December 2016	\$ 88.95
No. 20 Vendor Checks #69523-69594	\$ 444,296.97
No. 30 Vendor Checks #69595-69632	\$ 128,644.07
- 3) Township Contracts

<u>Ash Township</u>		
Newburg Road	Exeter to Burns	Drainage improvements
- 4) Pulled for further discussion.
- 5) Authorize the purchase of four (4) Sierra 2500HD (4x4) pickup trucks in the amount of \$116,305.60 through the MiDeal Program, and authorize the Managing Director to sign all documents on behalf of the Board.
- 6) Award bid for tandem truck with asphalt distributor to low bidder, Michigan CAT, in the amount of \$191,756.00 and authorize the Managing Director to sign all documents on behalf of the Board.

- 7) Approve and sign the revised Special Designated, Designated and Normal Loading Roads Policy #2012-31.
- 8) Approve the Resolution to impose a load limit and lane closure on the Strasburg Road bridge over Middle Branch Otter Creek and that suitable signs stating the maximum load limitation be erected and maintained not more than 50 ft. from each end of the structure as follows:

One Unit Vehicle	17 Tons
Two Unit Vehicle	25 Tons
Three Unit Vehicle	42 Tons
- 9) Approve the Resolution to impose a load limit on the Dennison Road bridge over North Macon Creek and that suitable signs stating the maximum load limitation be erected and maintained not more than 50 ft. from each end of the structure as follows:

One Unit Vehicle	42 Tons
Two Unit Vehicle	56 Tons
Three Unit Vehicle	72 Tons

Commissioner Stewart moved, seconded by Commissioner Minton to approve the January 23, 2017 Consent Agenda as amended, pulling item #4 for further discussion. Vote: Ayes: 5 Nays: 0 Motion carried.

Item pulled for further discussion.

4. Award bid for Newburg Road Drainage Improvements, Ash Township to low bidder Geddis Paving & Excavating, Inc. in the amount of \$93,472.78 and authorize the Managing Director to sign all documents on behalf of the Board.

Commissioner Minton indicated that bids from out of town contractors are coming in substantially lower than local companies which raises a red flag for him. Coming from a construction industry it concerns him that a company comes in so far below any other estimates, and is concerned about employees getting short changed. He would prefer to see work go to local contractors from the Monroe area. He would like the Board to take a long hard look at the current policy to address some of these concerns.

Commissioner Londo asked if the same evaluation process used for professional services was used on contractors and bids. He asked if the staff reviewed prior work experience, references, adherence to specifications, any type of rating points, etc. Mr. Assenmacher explained that most contract bids are done as a unit price type of bid, and the bid tabs are reviewed to check for errors or major issues in the line items. Based on MDOT practices, the low bidder is usually awarded the contract, but there are options available to the Board when awarding the bid. In this situation, the Township is paying 100% of the project and their engineers prepared the engineer estimate, plans, and bid packet. The MCRC did the bidding portion, and after review of the bid tabs the recommendation was to go with the low bidder for this project. Mr. Assenmacher added if there is a new contractor that the MCRC hasn't worked with before, the staff does check references and work history. The MCRC has worked with this particular contract and has no problem with their work history.

Mr. Pierce indicated the MCRC is required to perform due diligence in trying to save the township money where possible. Since Ash Township is paying 100% of this project, the MCRC is responsible to keep the costs down for the township. We have dealt with this company and they have a proven track record and the Township is in favor of awarding the bid to this company.

Commissioner Londo asked if the Township had input into this recommendation. Mr. Pierce explained that most of the companies that bid on this type of work the MCRC has a history with them.

Commissioner Londo inquired about the steps taken to consider a new vendor, such as references or other criteria to determine if they qualify to perform work for the MCRC when evaluating proposals other than just costs. Mr. Pierce stated the staff does extensive research on new companies that submit bids to work for the MCRC. Mr. Assenmacher added that new companies are researched, other Road Commissions are contacted and references are checked. The staff does extensive research in order to let the Board know the details so they are able to make an informed, educated decision.

Commissioner Iacoangeli indicated Geddis bid is under the engineer's estimate and questioned what will happen if they can't complete work for the bid amount and requests more money. Mr. Pierce stated they bid the work at a specific cost and they will be required to perform the work for that amount. He has no problem holding the company to their bid amount per the contract signed.

Commissioner Stewart indicated he is familiar with Geddis and they have done work in the past with the Road Commission and they have a good reputation. He would however like the Board to look at the purchasing policy.

Commissioner Stewart moved, seconded by Commissioner Minton to Award bid for Newburg Road Drainage Improvements, Ash Township to low bidder Geddis Paving & Excavating, Inc. in the amount of \$93,472.78 and authorize the Managing Director to sign all documents on behalf of the Board. Vote: Ayes: 5 Nays: 0 Motion carried.

9. Unfinished Business -

1. Continued discussion on Abandonment request for the ally in the Joel A. Labo Lakeside Subdivision, Frenchtown Charter Township, Monroe County, Michigan.

Commissioner Londo moved, seconded by Commissioner Minton to postpone any action on this item to the MCRC regular meeting scheduled for Monday, February 27, 2017. Vote: Ayes: 5 Nays: 0 Motion carried.

10. New Business -

1. Approve the Actuarial Report for 2.0 Retirement Factor for New Hires as outlined in 2014 ratified UWUA Local #543 and AFSCME Local #839 collective bargaining agreements.

Commissioner Pace asked how the 2.0 retirement factor approved in the contracts affects the Road Commission and the contribution rate. Mr. Masserant said the MCRC contribution rate would be adjusted at the next evaluation.

Commissioner Londo said as much as he loves reading reports, the narrative provided a full litany of double talk. The reduction to the 2.0 retirement factor has no immediate impact but the MCRC will see a gradual reduction over time.

Commissioner Iacoangeli indicated the study shows a 1 - 1 ½% reduction overall.

Commissioner Minton moved, seconded by Commissioner Pace to approve the Actuarial Report for the 2.0 Retirement Factor for New Hires as outlined in the 2014 ratified UWUA Local #543 and AFSCME Local #839 collective bargaining agreements.
Vote: Ayes: 5 Nays: 0 Motion carried.

2. Approve the Revised MCRC Fee Schedule

Commissioner Minton moved, seconded by Commissioner Pace to approve the revised MCRC Fee Schedule as presented. Vote: Ayes: 5 Nays: 0 Motion carried.

11. Report of Officers –

Randy Pierce (Managing Director/Superintendent of Maintenance) – Mr. Pierce updated the Board on the Timbers Bridge project. Exeter Township supervisor, Bob Queen wasn't able to attend tonight's meeting due to a scheduling conflict. Exeter Township has agreed to contribute their share of \$25,000 toward this project and a contract will be prepared for signature and Board approval.

Commissioner Londo clarified that the contract will be for the \$90K improvement project. Mr. Pierce stated the money would be used to fix the beams and save the bridge from further deterioration. It would cost approximately \$800K to replace the structure.

Phillip C. Masserant (Director of Finance) – Mr. Masserant has nothing additional to report.

Keith C. Richard (Director of Operations) – Mr. Richard explained with the unseasonal warm weather the crews have been laying down winter grade mix on many of the gravels roads due to the freeze/thaw cycle.

Scott Assenmacher (County Highway Engineer) – Mr. Assenmacher indicated as a result of the meeting with MCRCSIP, a draft letter was generated to send out to municipalities regarding the placement of wireless communication towers in the road right-of-way. Other counties will be looking at implementing a policy, but Mr. Assenmacher would recommend waiting to see how MCRCSIP and other county's proceed.

Mr. Assenmacher also informed the Board the seasonal weight restrictions, or frost laws, were implemented January 18, 2017.

Philip Costello (General Counsel) – Mr. Costello has nothing additional to report.

12. Public Comment – None.

13. Commissioners' Comments -

Commissioner Pace had nothing additional to report.

Commissioner Stewart indicated if the Board had no objection he would begin holding the 3rd Thursday office hours at Bedford Township in March. He would not be able to make the February hours due a conflict in his schedule.

Commissioner Pace indicated he would be willing to attend the Bedford office hours from 1-3pm in February.

Commissioner Londo asked the staff for an update on the County Line Road concerns at the next meeting. He also asked for an update on any savings realized by the MCRC for snow removal since we have had a mild winter so far.

Commissioner Stewart indicated he would also like to review the policy on how the MCRC reviews bids. He felt it wasn't always necessary to go by price but needed to keep everyone honest with specific details. He would like to look at the purchasing policy to see if there is a way to give local bidders the opportunity to get the bid even if they aren't the low bidder based on other criteria.

Commissioner Pace suggested this be a topic for the next workshop.

Commissioner Minton thanked Mr. Kopp for attending the meeting. Local business is near and dear to his heart and Commissioner Minton thanked him for discussing his concerns. He hoped the Board would be able to discuss his concerns and rethink how the Road Commission could possibly address opportunities for local contractors.

Commissioner Londo complimented Mr. Kopp on his well thought out presentation, and the way he handled the subject.

Commissioner Iacoangeli has nothing additional.

Commissioner Iacoangeli suggested a five minute recess before entering into closed session.

13. Closed Session

Chairman Iacoangeli moved, seconded by Commissioner Minton to enter into closed session at 6:45 p.m. for the purpose of discussing negotiations relative to collective bargaining.

Chairman, Paul Iacoangeli	YES	
Commissioner, Dan Minton	YES	
Commissioner, Charles Londo	YES	
Commissioner, Stephen J. Pace	YES	
Commissioner, Greg W. Stewart	YES	Motion carried.

Reconvene -

The Board of County Road Commissioners reconvened the January 23, 2017 meeting at 7:35 p.m. with the following Commissioners present:

Chairman, Paul Iacoangeli	YES
Commissioner, Dan Minton	YES
Commissioner, Charles Londo	YES
Commissioner, Stephen J. Pace	YES
Commissioner, Greg W. Stewart	YES

14. Adjournment -

Chairman Iacoangeli stated if there are no objections, the meeting is adjourned at 7:36 p.m.

Cheryl A. U'Ran

Cheryl A. U'Ran, Deputy Clerk