

**MINUTES OF THE BOARD OF COUNTY ROAD COMMISSIONERS
MONROE, MICHIGAN
April 25, 2016**

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, April 25, 2016 the meeting was called to order by Chairman Iacoangeli at 5:31 p.m.
2. Roll Call by Deputy Clerk as follows:

<u>PRESENT</u>	<u>EXCUSED</u>
Bruce R. Stammer, Jr.	
Dan Minton	
Stephen J. Pace	
Charles A. Londo	
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. Commissioner Minton moved, seconded by Commissioner Stammer to approve the April 25, 2016 regular meeting agenda as presented. Motion carried.
6. Michigan First Road Program Presentation – not in attendance.
7. Audit Presentation

Scot Hoskins, Principal with Stewart, Beauvais and Whipple, presented the results from the 2015 MCRC Audit. Letters were issued on internal controls and compliance contained in the single audit, along with the Audit Communication letter. The independent report contains a “clean” opinion on the financial statements. GASB Statement 68 & 71 which now requires the reporting of the net pension liability. There will be a new GASB reporting requirement coming in 2018 for OPEB.

Mr. Hoskins reviewed the information contained in the audit report. The fund balance increased and would provide 2 ½ months of operations. He also indicated the fund balance is in line with the averages of similar Road Commissions; but reminded the Board the fund balance isn't cash.

The net pension liability implementation entails adding the liability to the governmental activities. The proportional allocation is broken out in the note disclosure on pages 25-28 of the report. It becomes very complex to keep track of these calculations of these plans.

The single audit reflects the Federal Grant Awards for amounts in excess of \$500,000 and the Road Commission had a grant for equipment and force account work.

Mr. Hoskins explained they reported one material weakness regarding compliance in evaluating whether contractors were suspended or debarred. The Road Commission didn't have a process in place, but is now aware of it and it shouldn't be a problem moving forward.

Mr. Hoskins indicated he had worked with Director of Finance Masserant to clean up and update a lot of information on the infrastructure. He also indicated he received good cooperation from the management team and there were no conflicts. He would answer any questions from the Board.

Commissioner Minton indicated they did a very good job on the audit and how it was presented. Mr. Hoskins stated he appreciated the Road Commission's business.

8. Public Comment –

Patricia Bogoski, Hivon Road resident, addressed the Board about the inferior material dumped on their road that is filled with junk. She indicated her husband was in the hospital, but the neighbors saw trucks dump material and when they went to check, realized it was full of garbage and called to tell her to take a different route home.

Mrs. Bogoski indicated the residents appreciate the Road Commission's attempt to fix this road, but people can't drive on it with all the junk. She stated she has picked up wire, metal, concrete with rebar, wood with nails, etc. She indicated she has a garbage can full and every day she goes out there and chisels more junk from the road. She said she knows of 13 flat tires because of this garbage in the road.

Mrs. Bogoski had a list of names from people on Hivon Road that want this junk off the road. She showed pictures from her cell phone and walked to the board table and showed the Board members. She stated something needed to be done.

Commissioner Londo asked where the material came from. Mr. Pierce explained crushed concrete from Michigan Recyclers was used on this and several other roads, and this is the only road that has this junk. Mr. Pierce went on to explain that he talked with Mrs. Bogoski and has personally walked Hivon Road and didn't find the same type of material that she found. He had crews go out and walk this section of Hivon Road to pick up material off this road. What Mrs. Bogoski is finding isn't rebar it is actual garbage like wood with nails, crushed pipe, etc. The Road Commission has also put down additional virgin 21A stone on top of this product. He also indicated it was hard to believe that this material that she has found made it through their screening process. Mr. Pierce indicated that township supervisor Cheryl Baltrip even checked out the road and didn't find the same material that the resident found.

Commissioner Londo asked if anyone had contacted the recycler. Mr. Pierce has talked with him and he visited their location and checked their piles of material and there wasn't any type of material like what Mrs. Bogoski pulled off Hivon.

Commissioner Minton asked if it was possible that someone was dumping junk material on this road from the back of their pickup trucks at night. This is a dark country road and it would be a perfect place for a contractor to dump their garbage at night.

Mr. James Bogoski indicated there is more junk in the ditches than on the roads. Mrs. Bogoski indicated it is along the half mile stretch between Rawsonville and Timbers. She was told it was from Road Commission trucks on February 5th about 7p.m. Mrs. Bogoski indicated they found gloves, conduit, etc.

Commissioner Minton indicated in all fairness Mr. Pierce has tried to correct the issue. The Road Commission has been out there, crews have tried to clean up what was dumped and we added additional stone, plus the township was out there.

Commissioner Pace indicated that the large piece of concrete that is about the size of a bowling ball would have never made it through the screen at the company. He wasn't convinced that it came from the recycler, especially knowing we have used the same product on other roads with no complaints.

Mr. Pierce indicated the night crew for the Road Commission didn't start until 7p.m. so it would be difficult for them to get out of the yard, get loaded and be there before 8 p.m.

Commissioner Stammer indicated we have been using the crushed concrete for years now and never had anything like this happen.

Mrs. Bogoski said her neighbors called to warn here about the junk being dumped because they followed the trucks. Mrs. Bogoski made a phone call and put her on speaker phone and asked if she saw the Road Commission trucks dumping. The caller indicated someone was out there dumping and it was about 9 p.m. or 10 p.m. at night.

Commissioner Iacoangeli indicated Mr. Pierce would talk with the township supervisor and they would visit the site again and hope to find a resolution to the issues.

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

Item #11 was pulled for further discussion.

1) Approval of Minutes- April 11, 2016 Regular Meeting Minutes

2) Approval of Journal Entry

No. 213 Vendor Checks #68108-68162	\$ 188,869.13
No. 220 Payroll Checks #63045-63056 & Advice #18760-18848	\$ 241,551.34
No. 221 Vendor Checks #68163-68188	\$ 526,741.78

3) Township Contracts

Bedford Township

Center Drive	Off Jackman	Install 30' of drive tile at 1737 Center Dr
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Berlin Charter Township

Post	N Dixie Hwy to W Twp Line	Single seal
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Exeter Township

2016 Various Local Roads – Mowing

Ida Township

Ida Center	Geiger to Lewis	HMA Scratch & surface
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Raisinville Township

Ida Maybee	M50 to Rath Farms	Mill/HMA Overlay
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2016 Excess Gradall

4) Mowing Contractor

Exeter Township	Exeter Township
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5) Award contract for 2016 Full Depth Reclamation to low bidder, Ten Mile Creek Excavating, LLC in the amount of \$627,420.40 and authorize the Managing Director to sign all documents on behalf of the Board.

6) Award contract for 2016 Fog Seal Program to low bidder, Henry W. Bergman, Inc., in the amount of \$72,887.20 and authorize the Managing Director to sign all documents on behalf of the Board.

7) Award contract for 2016 Scrub Seal Program to low bidder, Pavement Maintenance Systems, LLD, in the amount of \$259,860.00 and authorize the Managing Director to sign all documents on behalf of the Board.

- 8) Award contract for 2016 Guardrail Spraying Program to low bidder, The Daltons, Inc., in the amount of \$6,735.00 and authorize the Managing Director to sign all documents on behalf of the Board.
- 9) Award contract for 2016 Calcium Chloride to low bidder, Liquid Calcium Chloride Sales.
- 10) Award contract for 2016 Mineral Well Brine to Michigan Chloride Sales.
- 11) Pulled for further discussion.
- 12) Approve the Resolutions for the 2016 Michigan Department of Transportation Local Bridge Program Funding for the following bridges:
 - Dennison Road over Middle Branch Macon Drain
 - Vivian Road over Sandy Creek
 - Deerfield Road over River Raisin
 - Lenawee County Line Road over Milan Macon Drain
 - Exeter Road over Little Swan Creek

Commissioner Minton moved, seconded by Commissioner Stammer to approve the April 25, 2016 Consent Agenda as amended to pull item #11 for further discussion. Vote: Ayes: 5 Nays: 0 Motion carried.

- 11) Approve the contract with Somat Engineering, Inc. for as-needed testing and inspection services for the 2016 construction season and authorize the Managing Director to sign the contract on behalf of the Board.

Commissioner Londo asked about the amount of work being assigned to this company. Mr. Pierce explained that the Road Commission contracts with several companies for “as-needed” services so the amount of work varies dependent upon need. He would estimate between \$10,000 - \$11,000.

Commissioner Minton indicated this contract is comparable to those signed with Hennessey Engineers and Northwest Consultants. He stated he was pleased that the Road Commission was using other vendors to develop relationships with to increase their exposure to the type of work we do.

Commissioner Londo moved, seconded by Commissioner Minto to approve the contract with Somat Engineering, Inc. for as-needed testing and inspection services for the 2016 construction season and to authorize the Managing Director to sign the contract on behalf of the Board. Vote: Ayes: 5 Nays: 0 Motion carried.

10. Unfinished Business – None.

11. New Business –

- 1) Approve returning N. County Line Road (M-50 to Brewer Road) to gravel at a cost of \$119,050 for the 2.2 mile section of road for crush and shape and 4” of stone.

Mr. Pierce explained North County Line Road from M-50 south about 2.2 miles is deteriorating and the cost to provide any type of maintenance is increasing. Crews have been out there patching for the time being. He indicated earlier today, the MCRC was offered the crushed concrete from the airport runway project at a cost of approximately \$7.00/ton for trucking, which would reduce the cost of this project. The project would consist of dumping the crushed concrete, pulverizing the material then mix it all together. The money would need to come out of the fund balance which would require board approval.

Commissioner Iacoangeli asked if it would be prudent to do the northern side of this road to capitalize on the deal with the crushed stone. Mr. Pierce would need to follow up with Mr. Masserant to see if the additional funding would be available. He agreed it would be a good reason to do as much as possible with the reduce cost of crushed concrete. He reminded the Board that the northern section is approximately five (5) miles.

Mr. Masserant indicated it comes down to timing. He stated the townships would not cost share for this work, but it would reduce the amount of patch being spent on this road. He felt the fund balance was healthy enough to absorb these types of projects in order leverage dollars efficiently.

Commissioner Pace felt strongly that the Road Commission have plan in place to not only do the work but explain to the citizens what was being done and why. He would also like to see the possibility of revisiting the option to pave this road in 2018 if the funding became available. That would require the proper widening as part of the road preparation now, so things are in place for future paving. He would approve turning the road to gravel only if the Road Commission plans to pave it again in the future.

Mr. Pierce indicated that could be done if the Board so directed. The road would need to be trenched two feet on both sides to create solid shoulders. He would not recommend paving this road in the future as the daily traffic count is less than 200 cars on this 2.2 mile section of road and less than 100 homes affected.

Commissioner Stammer didn't think it justified the expense to pave this road with that type of daily traffic count.

Commissioner Iacoangeli asked if we are saving money on the crushed concrete and do the preparation for future paving, but then something happens and it doesn't get paved, has that money been thrown away. He has driven that section of road and felt if he lived there he would prefer the gravel over the current condition.

Commissioner Pace felt the Road Commission staff needed to prepare the road for future paving and then put it on a list. These people didn't buy a house to live on a gravel road and this option should be a temporary fix until funds become available to repave this road.

Commissioner Minton agreed with Commissioner Pace that we should get this road ready for paving if monies become available. The residents will want their road paved again so he would agree that the work should include trenching, backfilling and widening to prep for paving in the future. He also agreed with Commissioner Iacoangeli that with the savings in the material we should do the entire seven (7) mile stretch.

Mr. Pierce indicated a quick calculation shows an approximate savings on \$50,000 for the 2.2 mile section of road using the crushed concrete material. Should the Board direct, the trenching, widening and stabilizing could be done at an additional cost.

Commissioner Pace indicated previous discussions were to do N. County Line Road in stages since there are a lot of other roads that need just as much attention. This is about having a plan in place, talking with the townships about what needs to be done and when. It might take 7-8 years to get everything ready before it can be double sealed.

Commissioner Stammer inquired about the cost to do the seven mile stretch at the existing width. Mr. Pierce indicated it would probably cost about \$300,000 for everything.

Commissioner Iacoangeli suggested the Managing Director talk with the Township Supervisors to see how the township feels about turning this road back to gravel. Mr. Phil Heath, Milan Township Supervisor, was in the audience and he supported turning the northern section back to gravel.

Mr. Pierce indicated he would speak with Joanna Uhl, Dundee Township Supervisor, but he needed some type of commitment to secure the stone.

Commissioner Londo moved, supported by Commissioner Stammer to table the discussion to the next regular meeting to allow the staff to conduct follow up with the townships and provide estimates for costs and estimates. Vote: Ayes: 5 Nays: 0 Motion carried.

12. Report of Officers –

Randy Pierce (Managing Director/Superintendent of Maintenance) – Mr. Pierce explained that the Road Commission has had problems with contracted sweeping. An opportunity just became available for a street sweeper as part of an online auction in S. Carolina and he would ask the Board for approval up to \$40,000 to purchase this street sweeper. The machine would be used on chip seals, to clean curbs and gutters, etc.

Commissioner Pace asked about the Schedule C rate. Mr. Pierce was absolutely certain but somewhere in the range of \$70/hour with an operator.

Commissioner Minton liked the idea of keeping work in-house.

Commissioner Stammer indicated he would be in favor because he sees all types of debris setting in the gutters and felt the Road Commission was in need of this type of program.

Commissioner Stammer moved, seconded by Commissioner Londo to approve up to \$40,000 to purchase the street sweeper. Vote: Ayes: 5 Nays: 0 Motion carried.

Commissioner Pace would ask that Mr. Pierce keep track of the savings from the purchase of this machine and report back to the board.

Mr. Pierce indicated Keith Richard accepted the position of Director of Operations and will begin May 9, 2016. Mr. Richard will attend his first board meeting on May 23rd.

Phillip C. Masserant (Director of Finance) – Mr. Masserant indicated the March financials were provided to the Board.

Scott Assenmacher (County Highway Engineer) – Excused.

Philip Costello (General Counsel) – Mr. Costello indicated he continues to work on the Berlin Township property issue and the cell tower lease but had no progress to report.

13. Public Comment – None.

14. Commissioners' Comments -

Commissioner Pace had nothing additional.

Commissioner Stammer thanked Mr. Masserant for the financial stability that he has brought to the finance department. He appreciated the timely reports.

Commissioner Londo had nothing additional.

Commissioner Minton reminded the members of the May 2nd workshop scheduled for 10 a.m.

Commissioner Iacoangeli had nothing additional.

15. Adjournment -

Chairman Iacoangeli stated if there are no objections, the meeting is adjourned at 7:00 p.m.

Cheryl A. U'Ran

Cheryl A. U'Ran, Deputy Clerk