

**MINUTES OF THE BOARD OF COUNTY ROAD COMMISSIONERS
MONROE, MICHIGAN
May 14, 2018**

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, May 14, 2018 the meeting was called to order by Chairman Iacoangeli at 5:30 p.m.

2. Roll Call by Deputy Clerk as follows:

PRESENT

Greg W. Stewart

Dan Minton

Stephen J. Pace

Paul Iacoangeli

EXCUSED

Charles A. Londo

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 Stewart to approve the May 14, 2017 regular meeting agenda as presented. Vote: Ayes: 4 Nays: 0 Excused: 1 Motion carried.

6. Public Comment -

Charlene Dickerson, 20717 Milwaukee Road, Milan, appreciated the attempt to patch Milwaukee Road. She stated the intersection at Milwaukee and County Line Roads is horrible and there are huge potholes that needs to be patched. She encouraged the Board to get out and drive around to check on the roads to know where the problem areas are located.

7. PRESENTATION - Mark Nottley, Municipal Consulting Services LLC

Mr. Nottley presented the results of the compensation study and pay structure conducted on seven management positions. Three of the positions have incumbents, but information has been provided for the vacant positions as well. The study outlines a new pay structure for administrative/executive positions to assist in the hiring and recruitment process.

Mr. Nottley explained how the study was conducted using four phases: 1) getting to know the job and organizational overview of each position, and interviewing employees; 2) reviewing the labor market comparables using fifteen (15) sources; 3) survey and tabulation for pay and benefits; and 4) study with implementation strategies and pay structure for 7-10 years.

Essentially, every position has a low-mid-high grade and individual pay progression. He provided a sample step system, similar to the County and City of Monroe. Included in the report is individual pay ranges, and in turn their own step systems. His report identified two of the current employees that need to be upgraded to the next pay level. He identified one employee as a "red circle position" which means this employee was already above the recommended industry average. The report contains a narrative on how to address a red circle position. One option is receiving COLA increases or bonuses annually, but no further step increases.

Mr. Nottley explained the pay ranges are set up for 7-10 years, and instructions on how to update the pay ranges yearly. There is precise implementation strategy on putting the pay system in place. With four (4) vacant positions, this study should assist in determining current salaries to help fill those positions. Information is tied to the market data collected.

The report suggests taking the remaining incumbents and moving them into the next highest step to align them into the system. For the vacant positions the Road Commission will more than likely pay from mid-point to above when filling these high-level positions.

This report reflects where the Road Commission stands with respect to other employers in the competitive market. To adjust these salaries, there are a number of options as outlined in the report.

Section 4 identifies the Road Commission benefits have remained fairly consistent, but there are potential options to reduce retiree health care options in the future. There are unknown costs associated with future costs relative to retiree health care, and the Road Commission's current trust is not 100% funded. The Road Commission could eliminate retiree health care for new hires and go into a two-tier system - an HSA plan or possibly consider contributing five percent into a pre-tax account which would allow the organization to budget; or create a defined contribution plan. The Road Commission could move to a defined contribution plan for new hires, which is a portable account that can be taken with an employee and allows something for heirs. A Section 125 Flex Benefit Plan is another option that would allow an employee to contribute a pre-tax contribution of \$2500 annually. There is a cost to administer this type of plan.

Mr. Nottley directed the Board at Appendix A - Wage Comparison, and Appendix B - Benefit Comparison to see what the comparables used in the study. He offered to answer any questions.

Chairman Iacoangeli asked if the comparables for the red circle employee was apples to apples. Mr. Nottley explained that the Administrative Assistant plus position at the MCRC is a much higher position that what was found at other organizations. He stated this is an unusual position and when interviewing he was impressed with the volume of work she handles and the juggling she does. He added the incumbent makes this a valuable position, but one that was not easy to find a comparison for outside of an Executive Assistant. It encompasses clerical, public relations, administrative, secretarial, and more, but it is a fairly accurate comparison.

Commissioner Pace asked if Mr. Nottley felt the red circle employee pay was out of line. Mr. Nottley replied with all the additional responsibilities and tasks outside of the job description, she is probably underpaid.

Commissioner Minton asked about the market average. Mr. Nottley explained the comparison is typically range max to range max. Most of the information gathered falls within the ranges identified.

Commissioner Minton indicated he felt a defined contribution plan might also be used to retain employees, and not only for employees that move around. Mr. Nottley said that his recommendation would be more of a recruitment tool. He said for Administrative and Executive positions you could broaden the options to sweeten the pot without increasing costs.

Commissioner Minton stated it shouldn't matter whether you are recruiting a union truck driver or Director of Finance the options should be made available when recruiting. Mr. Nottley stated that was a fair comment.

Commissioner Stewart wanted to make sure that apples to apples were being compared and asked if the comparison was with other Road Commission using similar number of employees. Mr. Nottley directed him to view Appendix A and to read the footnotes that would provide a deeper explanation of comparisons. With any study the comparisons are not 100% but he compares positions as close as possible.

Commissioner Iacoangeli indicated he was comfortable with using the CPI for our region, but with the market being so erratic it be better to use a direct comparison to determine the market average in addition to the CPI. Mr. Nottley stated it would be easy to update the report, especially with a new hire or new position. The Human Resource Director could call and ask what other Road Commission are increasing their wages annually. He added you could take the average and the upper end of the range since the range is merely a yardstick. He reminded the Board that this process is not perfect, it is meant to be a tool.

Commissioner Iacoangeli stated that information flows across the step increases, which then determines the increases. Unless something drastically changes, we will need to call and hope other Road Commission have updated their information. Mr. Nottley explained a lot can change in six months but the CPI is catching up and could be reliable again. Either way it should be difficult to update the numbers.

With no more questions, Commissioner Iacoangeli thanked Mr. Nottley for the report.

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

1) Approval of Minutes- April 23, 2018 Regular Meeting Minutes

2) Approval of Journal Entry

No. 260 Vendor Checks #72103-72146	\$ 88,642.39
No. 284 Payroll Checks #63893-63910 & Advice #23590-23697	\$ 263,395.85
Bank Service Charge – April 2018	\$ 106.35
No. 285 Vendor Checks #72147-72204	\$ 501,714.53

3) Township Contracts

Bedford Township

Crabb	US24 to Sterns	Widen/Aggregate/Guardrail, etc.
Jackman	Samaria to Rauch	Base stabilize/trench/HMA

Berlin Charter Township

2018 Various Local Roads – Mowing

Dundee Township

2018 Various Local Roads – Mowing

Exeter Township

2018 Various Local Roads – Mowing

2018 Various Local Roads – Mineral Well Brine

LaSalle Township

2018 Various Local Roads – Mowing

Raisinville Township

Frery Lane	Off Strasburg	Grade/Stone/Mineral Well Brine
------------	---------------	--------------------------------

4) Mowing Contractors

Exeter Township	Exeter Township
KBK Landscaping	Exeter Township
D.K. Services	LaSalle Township

- 5) Approve the Resolution to enter into MDOT Contract No. 18-5142 for the roadway safety improvement project on Todd Road at the Ann Arbor Railroad crossing, Ida Township, Monroe County, Michigan; and authorize the Chairman and Vice Chairman to sign the contract on behalf of the Board.
- 6) Award the contract for the Hurd Road and Vivian Road Drainage Improvements project to the low bidder Erie Construction, LLC in the amount of \$187,736.74, and authorize the Managing Director to sign all documents on behalf of the Board.
- 7) Award the contract for the South Stony Creek Road tree removal to low bidder T & J Excavating and Tree Clearing, LLD in the amount of \$36,035.00, and authorize the Managing Director to sign all documents on behalf of the Board.
- 8) Award the contract for the 2018 Full Depth Reclamation Program to the low bidder Tenmile Creek Excavating, LLC in the amount of \$998,724.30; and authorize the Managing Director to sign all documents on behalf of the Board.
- 9) Award bid for 2018 Lowboy Trailer to low bidder, Buck & Knobby, in the amount of \$49,359.00; and authorize the Managing Director to sign all documents on behalf of the Board.
- 10) Approve the 2018 As-Needed Testing & Inspection Services agreement with Great Lakes Engineering Group, LLC and authorize the Managing Director to sign the agreement on behalf of the Board.
- 11) Approve the 2018 As-Needed Testing & Inspection Services agreement with Hennessey Engineers, Inc. and authorize the Managing Director to sign the agreement on behalf of the Board.
- 12) Approve the 2018 As-Needed Testing & Inspection Services agreement with The Mannik & Smith Group, Inc. and authorize the Managing Director to sign the agreement on behalf of the Board.
- 13) Approve the 2018 Design Engineering Services agreement with The Mannik & Smith Group, Inc. and authorize the Managing Director to sign the agreement on behalf of the Board.
- 14) Approve the 2018 As-Needed Testing & Inspection Services agreement with Northwest Consultants, Inc. and authorize the Managing Director to sign the agreement on behalf of the Board.
- 15) Approve the 2018 Design Engineering Services agreement with Northwest Consultants, Inc. and authorize the Managing Director to sign the agreement on behalf of the Board.
- 16) Approve the 2018 As-Needed Testing & Inspection Services agreement with Spicer Group, Inc. and authorize the Managing Director to sign the agreement on behalf of the Board.
- 17) Approve the 2018 Design Engineering Services agreement with Spicer Group, Inc. and authorize the Managing Director to sign the agreement on behalf of the Board.
- 18) Approve the 2018 As-Needed Testing & Inspection Services agreement with TTL Associates, Inc. and authorize the Managing Director to sign the agreement on behalf of the Board.

19) Award bid for 2018 HMA Mixtures to all responding vendors.

Commissioner Stewart moved, seconded by Commissioner Pace to approve the May 14, 2018 Consent Agenda as presented. Vote: Ayes: 4 Nays: 0 Excused: 1 Motion carried.

9. Unfinished Business – None.

10. New Business -

1) Approve the expenditure of \$273,155 for four (4) additional projects in 2018.

Mr. Pierce explained that the money for these additional projects would come out of the general fund, and will be added to the HMA county-wide program. This would help tie corridors together in the county.

Commissioner Minton moved, seconded by Commissioner Stewart to approve the expenditure of \$273,155 for the four additional projects for the 2018 construction season. Vote: Ayes: 4 Nays: 0 Excused: 1 Motion carried

2) Discussion on the Agreement with the MSP Motor Carrier Unit for contracted services.

Mr. Pierce explained the possibility of contracting with the MSP Motor Carrier to perform duties to police trucks using unauthorized roads to avoid inspection and fines. Most of these roads have received some type of improvement and trucks are destroying the roads because they aren't built for heavy truck traffic. He reminded the Board that the MCRC would not receive any additional compensation from the fines collected, but he hoped the word would spread that trucks are being delayed and inspected to deter drivers from taking the back, unmonitored roads. He will pursue more information should the Board desire.

Commissioner Pace said he was against paying the MSP for this service because the Road Commission isn't getting portion of the fines collected. However, if the Board decided to move forward with this plan the Road Commission needed to be able to dictate which roads would be patrolled and when.

Mr. Pierce stated it was an expensive venture especially when the Road Commission isn't recouping any monies, however, keeping trucks off these newly paved or surfaced roads so the roads aren't being beaten up and destroyed is a savings to the organization.

Commissioner Stewart stated he talked about this with the Bedford Township Ordinance officer and they got frustrated and decided to stop. He felt something needs to be done and it is worth the effort to keep trucks off these side roads, but he wasn't sure contracting with the Motor Carrier was the answer.

Commissioner Iacoangeli disagreed because keeping these heavy trucks off these roads will help to save our assets even if the MCRC doesn't get the money from any fines. If the MCRC can dictate which roads and the times it will give the truck drivers something to think about whether they want to risk getting caught going on an unauthorized road. He felt the benefit was there.

Commissioner Pace felt it might be worth pursuing if the State could come up with additional funding. He also suggested Mr. Pierce continue talks with the MSP and gather more detailed information and bring it back for discussion at the next board meeting.

Mr. Pierce stated the current proposed plan is for 220 hours which equates to about 22 weeks for 10 hours per week. The MCRC would not be charged for travel time to and from a designated location. The MCRC would be able to designate the specific area to be patrolled.

Commissioner Pace stated he would like to see the townships involved since this affects roads county wide. He felt the Townships should look into approving ordinances that allows them to collect some fines that they can use to put back on roads.

Commissioner Stewart stated he was not dead set against the proposed plan, but felt there was a better way to accomplish the task besides paying the MSP.

Commissioner Iacoangeli felt it was imperative for the Road Commission to protect the road assets even if no money came back to the organization until the State comes through with additional funding. He stated by using the MSP on a short-term experimental basis the Road Commission could control what roads are being monitored, identifying the problems, and determine the needs for the future. The information gathered could be shared with the townships to help come up with solutions.

Commissioner Stewart indicated he would not be opposed to viewing this as a short-term experiment in order to gather information and pump up awareness to the problems with these trucks using unauthorized roads. He liked the idea of reaching out to the townships to increase the awareness of the problem with trucks using resurfaced roads and solicit cooperation between agencies.

Commissioner Minton agreed that with all the money and investment being put into roads it was critical that the Road Commission take the obligation to protect the assets seriously. He wasn't opposed to this being a pilot project to identify issues in order to come up with solutions. He liked the idea of changing the dates and places being patrolled so the truck drivers are caught off guard.

Mr. Costello indicated this proposed agreement pays only for the work that is done, is overall fair and it is enforceable.

Commissioner Iacoangeli asked Mr. Pierce to follow up with his contact at the MSP Motor Carrier Division for more details. This item will be on the next board agenda for further discussion.

3) Adopt the Michigan Compensation Study for Executive/Administrative positions.

Mr. Pierce asked the Board to adopt this study as it will assist in determining future salary ranges for current and new administrative/executive employees. He felt that the results will eliminate favoritism in the future.

Commissioner Pace asked if the Road Commission would use this study to hire people based on the results of this study.

Commissioner Stewart didn't feel that if adopting the study binds the MCRC to these numbers. Mr. Pierce indicated it is an unbiased tool to be used in determining parameters in compensating executive staff employees.

Commissioner Pace questioned why the Board needed to adopt the results of this study when the Managing Director is the one who hires and oversees these administrative positions.

Commissioner Iacoangeli felt it was important to have a plan put in place and was in favor of adopting the study so the nine step process outlined could be followed. The Board makes recommendations on how to fairly compensate the administrative and executive staff, so that during negotiations with the unions the administrative staff won't have to wait for unions to settle their contracts.

Commissioner Minton moved, seconded by Commissioner Stewart to adopt the Michigan Compensation Study conducted by Mark Nottley. Vote: Ayes: 3 Nays: 0 Abstain:1 Excused: 1 Motion carried.

4) Presentation of the MCRC Multi-year Project Map.

Mr. Pierce explained that he approached Frank Westenkirchner and Mark Larrow to create a 3-year map. With the assistance of staff, these 2 men put together an interactive map that would be available online. He turned the presentation over to Mr. Larrow.

Mr. Larrow explained that after meeting with Mr. Pierce about creating a 3-year project map, he worked with Frank Westenkirchner to try a new tool called RGIS Online. This is the first venture using this type of tool using this template using the operational dashboard. After creating the 3-year map, he talked with Mr. Pierce and decided to add the 2018 projects.

Mr. Larrow indicated the Road Commission would not be eliminating the paper map, but this electronic content would be available at the click of the mouse on Facebook or the MCRC website. A QR code to scan would be available as well.

Mr. Larrow started the demonstration and explained the short cuts placed on the Board's tablets for easy access. He demonstrated the Project Dashboard, the filters and project layers. He showed how to access the viewing area, imagery, etc. Because it is an online map it does have more than just Monroe County, but hitting the Home key will take you back to the county. He pointed out the information tabs and the filters, such as road system, project classes and construction year. By checking specific boxes you can filter the information you want to see, like view only primary roads, or local roads, or a combination of roads and fixes. He clicked on a highlighted road and revealed project details in the pop-up window. These pop-up windows can also include additional data on past work performed on a specific section of road. Mr. Larrow pointed out this is a work in progress and it will always be changing and updating, as well as adding new features.

This map can be accessed on most any device – cell phone, laptop, tablet, etc. This map adds more functionality and has a wide variety of templates to utilize. It has a link to the MCRC webpage, the MCRC Facebook page and a link to send an email to the Road Commission as well.

Mr. Larrow acknowledged Shawn Satterfield, Frank Westenkirchner, Dave Leach, Randy Pierce, Phil Masserant and Kim LaRocca for helping get all the information pulled together.

Commissioner Minton said this will be a great tool to use.

Commissioner Iacoangeli thanked Mr. Westenkirchner and Mr. Larrow for the great job on the map.

Mr. Westenkirchner explained the map is fairly automated and as projects are added, job numbers created, and money is invoiced to that job number, the map will be updated.

Commissioner Pace asked if the map included time frames and start dates for projects. Mr. Larrow indicated not yet but they are still reviewing how to assimilate all the information.

Mr. Pierce added that this map shows all the work that is being done by the Road Commission. He stated Mr. Westenkirchner and Mr. Larrow put a lot of time and energy into this map. He especially recognized Mr. Larrow for his excitement in creating this map and for using all his tech knowledge and expertise to develop this valuable tool.

Mr. Larrow thanked Mr. Pierce and the Board for allowing him to work on this project and present it to the Board.

Commissioner Pace moved, seconded by Commissioner Minton to cancel the Tuesday, May 29, 2018 regular meeting. Vote: Ayes: 4 Nays: 0 Excused: 1 Motion carried.

11. Report of Officers –

Randy Pierce (Managing Director/Superintendent of Maintenance) – Mr. Pierce stated that he would like to talk about giving the State notice to eliminate the trunkline contract in Monroe County. The State does not have a 5-year plan to fix roads and hasn't increased funding to meet the demands of the state's highways. It is obvious that I-75 and US-23 is falling apart, but MDOT is not addressing the problems. Should the MCRC back away from the State Trunkline Contract, it would allow county trucks to focus on primary and local roads much quicker. With the increased MTF, now would be the time to step back from the State contract. The Road Commission could reduce costs by streamlining truck purchases because it will not need the larger, wing plow trucks that are used on state highways. He would like the Board to give this serious thought as an official decision will need to be made in the near future to provide the required one year notice to MDOT.

Commissioner Minton agreed with Mr. Pierce about the State contract. He stated at this point it time it makes financial sense to re-evaluate the state contract. He would be in favor as long as it did not result in any layoffs for the current workforce. Using our trucks on primary and local roads would allow the Road Commission to shine. The state contract really isn't bringing in additional monies to cover the work, and it has only created more of a burden since there isn't enough money to fix state roads.

Commissioner Stewart agreed with the idea and for the reasons stated by Mr. Pierce and Commissioner Minton. He would also be in favor of giving the state the required one-year notice to terminate the state contract, as long as the current workforce was secure.

Commissioner Pace also agreed to terminate the contract as long as current employees would not see layoffs. He felt the State should be given the option to increase their funding to secure ten additional employees and ten extra trucks and equipment for use on state highways to keep the contract. He has not been pleased with the way the State has negotiated the current contract the last few years, and felt the State is falling short of fulfilling their obligation to maintain good roads in Monroe County. State highways in Monroe County are the first things visitors see and it is shameful. The State needs to come to the table with real money and real solutions to maintain their roads in addition to what we have, or the MCRC needs to terminate the contract.

Commissioner Iacoangeli indicated the MCRC would need to give the required one year notice to terminate.

Mr. Pierce also explained that the MCRC obtained an \$800,000 CMAQ grant for trucks and the Road Commission paid the 20 percent match. The State Auditor is now claiming the Road Commission owes the State approximately \$200,000 because they don't feel they should share in the depreciation even though they are being used on state highways. The MCRC is moving into arbitration on this issue.

Commissioner Iacoangeli explained that the Road Commission needs to void the contract before we can negotiate any types of change. From the discussion tonight, the consensus seems to be the Board is in favor of giving the State the required one year notice. He also added that the future is unknown and just because we are financially secure today, doesn't mean that something won't change that is out of the Board's control. There is no guarantee.

Commissioner Stewart confirmed that the amount of money received in 2010 was approximately \$2.53 million and the amount received in 2018 is about \$2.3 million. Mr. Pierce confirmed that was correct. He explained he would like to finish the Northeast salt facility before giving the State notice.

The Board decided to take no action on the State Trunkline contract.

Mr. Pierce informed the Board that Local 543 would like to discuss retiree health care as it currently mirrors the active employees. In order to change the direction of retiree health care, an actuary would need to be completed. Mr. Pierce suggested that all current employees be locked in but new hires would not be eligible for retiree health care benefits. This would also help with budgeting. He would like the Board to authorize the actuary study.

Commissioner Stewart moved, seconded by Commissioner Minton to authorize the Managing Director to proceed with the actuary study as it relates to retiree health care. Vote: Ayes: 4 Nays: 0 Excused: 1 Motion carried.

Mr. Pierce stated project have started, but the recent rains have delayed projects and has created additional drainage and flooding issues. The vector truck has been busy trying to open up culvert to resolve water issues. The HMA program has also started and moving forward.

Frank Westenkirchner (Assistant County Highway Engineer) – Mr. Westenkirchner thanked Mark Larrow for the work done on the map. The map is available on any type of device so he hopes the Board will utilize it often to answer questions. If there are any ideas, suggestions or questions, please let them know.

Mr. Westenkirchner indicated with the cancellation of the May 29th meeting, RFP's were expected for the engineering construction and oversight for the Vivian Road bridge construction project. He requested the Board give Mr. Pierce the authority to approve the award based on the engineer's estimate.

Commissioner Pace moved to authorize the Managing Director to award bids to be received May 18th for the Vivian Road bridge project to low bidder.

Mr. Costello indicated this falls under Professional Services, so bid award should come in within the Managing Director purchasing authority so a motion would not be necessary.

Motion withdrawn.

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

Mark Larrow (Information Specialist) - Mr. Larrow had nothing additional to report.

Commissioner Iacoangeli again stated the map presentation was excellent.

12. Public Comment –

Phil Heath, Milan Township Supervisor, stated he didn't think contracting with the MSP Motor Carrier was a good idea. He felt the truck drivers would just wait until they know all is clear or skirt around other local roads to avoid the Motor Carrier. Truckers are loyal and they will notify each other to avoid being pulled over. He added there are better places to spend the \$20,000 – like Milwaukee and County Line Roads to fill the potholes.

Commissioner Iacoangeli appreciated Mr. Heath's comments.

13. Commissioners' Comments -

Commissioner Pace again thanked Mark Larrow for all his work on the map.

Commissioner Stewart had nothing additional to report.

Commissioner Londo was excused.

Commissioner Minton stated Mark Larrow and the staff did a great job on the map. He said it appears user friendly and he looks forward to utilizing it and referring people to use it.

Commissioner Iacoangeli stated he really appreciated all the work that went into creating and developing the map.

14. Adjournment -

Chairman Iacoangeli stated if there are no objections, the meeting is adjourned at 7:37 p.m.

Cheryl A. U'Ran

Cheryl A. U'Ran, Deputy Clerk