

**MINUTES OF THE BOARD OF COUNTY ROAD COMMISSIONERS
MONROE, MICHIGAN
September 10, 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, September 10, 2018 the meeting was called to order by Chairman Iacoangeli at 5:32 p.m.

2. Roll Call by Deputy Clerk as follows:

PRESENT

Charles A. Londo

Stephen J. Pace

Dan Minton

Greg W. Stewart

Paul Iacoangeli

EXCUSED

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 August 27, 2018 regular meeting agenda as amended, adding #10(2) Discussion on Road Commission Board vacancies. Vote: Ayes: 5 Nays: 0 Motion carried.

6. Public Hearing – 2019 Proposed MCRC Budget Hearing

Commissioner Iacoangeli opened the public hearing on the 2019 Proposed MCRC Budget hearing at 5:36 p.m.

Phil Heath, Milan Township Supervisor, asked if the Road Commission was in line to receive any funds from the new sales tax approved, and if so how the money would be divided. He stated the Governor and Treasurer suggested the monies go directly toward roads, but he contacted Lansing and has received no response from the Representatives and Senators. As the Road Commission begins to meet with the Townships to talk about 2019 project, he wanted to make sure Monroe County wasn't missing out on any money.

With no additional comments, the public hearing was closed at 5:39 p.m.

7. Public Comment –

Barry Buschmann, Mannik & Smith, and Trudy Hershberger, Bedford Township Clerk, appeared before the Board to explain a unique situation on the SAD on Sandywell Drive. Sandywell Drive is off Smith Road, just east of Douglas, and it was a gravel road and severe gravel wash outs would happen and the Road Commission would have to scrape gravel off Smith Road. This road goes uphill. The project had 250 feet of significant grade change at the road to create a flat area for transition to Smith Road that included curb and gutter. It alleviated the gravel wash out problem as well. The project was completed last year, but there is a problem with a 2 foot wide stretch of shoulder where the grade was not changed and now there is gravel washout that is ending up on the newly paved portion, which is creating a safety issue.

Mr. Buschmann explained there is a two-foot ribbon of gravel shoulder that continues to wash out. They have tried mixing cement with the stones for the 100 feet but that has been unsuccessful. He added the rest of the project is good, only this two foot ribbon of gravel shoulder and the SAD project was maxed out. All interim measures have proven unsuccessful as well.

The project is about a year old now, and something needs to be done. The only practical solution is to put some asphalt in this shoulder area. Mr. Buschmann obtained an estimate for about \$4,100 for this work. Due to some unforeseen issues associated with this SAD, all the monies have been expended and they don't want to go back to the residents to ask for additional money.

Mr. Buschmann and Ms. Hershberger hoped the Road Board would consider a monetary participation toward the cost to make the necessary changes to fix this shoulder issue.

Charlene Dickerson, Milwaukee Road, again voiced the same concerns about dust control that she has mentioned at prior meetings. The intersection of Milwaukee and County Line Roads needs to be addressed due to all the issues being created by the extra traffic from the pipeline. The intersection work that was done by the MCRC isn't holding up and needs to be looked at soon.

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

Commissioner Minton asked to have item #5 pulled from the agenda for further discussion.

1) Approval of Minutes- August 27, 2018 Regular Meeting Minutes

2) Approval of Journal Entry

No. 590 Vendor Checks #72793-72882	\$ 1,154,073.76
No. 613 Payroll Checks #64065-64082 & Advice #24385-24490	\$ 273,704.37
Bank Service Charge – August 2018	\$ 96.00

3) Township Contracts – N/A

4) Approve and sign the MDOT Contract 2018-0781 for the South Stony Creek Project, and authorize the Chairman and Vice Chairman to sign contract on behalf of the Board.

5) Pulled for further discussion.

6) Approve Contract Modification No. 3 for the 2018 HMA Paving Program in the amount of \$77,176.00 and authorize the Managing Director to sign all documents on behalf of the Board.

Commissioner Minton moved, seconded by Commissioner Pace to approve the September 10, 2018 Consent Agenda, except for Item #5 pulled for further discussion. Vote: Ayes: 5 Nays: 0 Motion carried.

Item pulled for further discussion –

#5) Approve the contract extension with CHOP, Inc. for the 2019 Tree Removal Program, and authorize the Managing Director to sign all documents on behalf of the Board.

Commissioner Minton asked when the original contract was approved and how many extensions were available. Mr. Pierce explained the contract allowed for three extension requests, and this would be the final extension.

Mr. Leach added that the contractor has done good work and has been very professional. He would recommend granting the extension.

Commissioner Minton asked if the Road Commission had received any phone calls from local tree trimming businesses. Mr. Pierce explained that other work has been bid out and locals have submitted bids, but no complaints or concerns.

Commissioner Londo confirmed that the tree removal work will be bid out next year and if it will contain the same options as well. Mr. Pierce indicated that was correct, and providing the extension option works well for both parties and makes it easier for the MCRC to budget.

Commissioner Stewart moved, supported by Commissioner Pace to approve the contract extension with CHOP, Inc. for the 2019 Tree Removal Program, and authorize the Managing Director to sign all documents on behalf of the Board. Vote: Ayes: 5 Nays: 0 Motion carried.

9. Unfinished Business – None.

10. New Business -

1) Discussion on MDOT State Trunkline Contract.

Mr. Pierce explained the staff has worked very diligently on evaluating this recommendation. He stated that two-thirds of the Road Commission budget is spent on state roads (i.e. 175, 1275, US23, etc.), which accounts for about 59 percent of all lane miles in Monroe County. It would be the recommendation of the entire staff to move away from the State Trunkline Contract at this time. It would be in the best interest of the MCRC to provide the one-year notice of termination to MDOT.

With the increase in the MTF funds and the 5-year plan, he believes it would be in the right time to terminate the state contract. Mr. Pierce added that the MCRC would not need to spend extra money on purchasing bigger trucks since they won't be needed for the state highways. This would also extend the life of our current fleet and would allow Road Commission trucks to get to primary and local roads quicker, along with subdivision roads. This would also reduce the need to outsource to supplemental contractors for assistance during snow events.

Mr. Leach added that the staff has spent a lot of time looking at the various options, alternatives when evaluating the state trunkline contract. The staff provided a copy of the pro's and con's for the Board's review. Mr. Leach displayed several maps for the Board's review as well, showing current snow truck placement vs. how Road Commission trucks would be able to get to primary, local and subdivision roads much sooner without having to service state trunklines. MDOT would be responsible to cover all the state trunklines. The Road Commission could do a much better job for the county residents if the MCRC gave the state routes back to MDOT. Mr. Leach said the crews do a good job with what they have, but they could service the county residents much better without the state contract.

Mr. Leach outlined that MDOT has no long term plans to fix or repair for any of the state trunklines or the entrance and exit ramps, which has gone way past being safe. MDOT's budget for Monroe County has not changed in 10 years, yet costs for materials and services have significantly gone up. MDOT also dictates when work can be done, when garbage can be picked up, etc. All this looks bad for the State, and it makes the MCRC look bad. He also believed the Road Commission wasn't as financially dependent on MDOT like they had been in the past.

Commissioner Pace thanked the staff for the information, and for the thought and evaluation put forth in making this recommendation to the Board. He asked if MDOT has talked with the MCRC.

Mr. Pierce indicated a Resolution was prepared and should the Board approve, a letter would be prepared and sent to MDOT along with the MCRC Board Resolution providing the one-year required termination notice. This would also allow him to begin negotiations with MDOT on possible options. He explained this move would not jeopardize any of the current workforce, or affect the service to the community.

Commissioner Pace asked if this move would eliminate the night crew. Mr. Pierce indicated the night crew would be limited, and they would need to negotiate new terms for the next contract.

Commissioner Londo asked if it was fair to assume that keeping the State contract was costing more to provide services than the benefit the Road Commission and community was getting back. Mr. Pierce explained the MCRC receives about \$750,000 from having the State trunkline contract. He reminded the Board that the MCRC recently lost the \$50,000 audit dispute on truck depreciation. The MCRC spends \$1.2 million to purchase, stack and store salt and MDOT reimburses time and material as charged out as used on state highways. If we don't have a bad winter and the salt isn't used, it is the Road Commission's money setting in the unused salt. About sixty percent of the salt purchased is used on the state routes, and the Road Commission gets reimbursed but puts the money up front to purchase the salt. To terminate the contract will require MDOT to bring their own trucks in to cover state roads for snow events. He suggested maintaining the "M" routes and the MCRC can perform TWA work in the summer on state roads as outlined in the contract.

Commissioner Londo inquired where the Road Commission would see the savings. Mr. Pierce indicated the MTF monies are increasing, the MCRC will not have to purchase the larger, heavy duty trucks that are used on state trunklines, and the capital equipment rotation would be reduced. Savings would also come in the form of not having to replace the trucks as often, on salt, and on overtime. Currently the crews stay on State roads until the weather event ends and roads are completely clear. This limits what can be done on primary, local and subdivision roads. To terminate the State trunkline contract would allow more Road Commission crews on primary, local and subdivision roads to increase county productivity.

Commissioner Londo asked if this was the way we were moving away from the state contract, why build a salt facility at I275 and Labo Roads to service the state roads. Mr. Pierce explained that we needed a facility to service the northeast portion of the county to reduce the return time for trucks to load up with salt. He also mentioned that it might be possible to rent a portion of that facility to MDOT in the future. He would like the ability to negotiate with MDOT to maintain their "M" routes but not the state routes and lease part of the facilities to MDOT for their winter snow removal.

Commissioner Londo would like to see how the numbers might affect next year's budget when the \$2.7 million is eliminated from the budget. He said he was very concerned about maintaining the current work force. Mr. Pierce was confident that the Road Commission wouldn't suffer negatively by withdrawing from the state contract. With the increase in MTF funds, the Road Commission will see no substantial loss.

Commissioner Stewart supported the termination of the state contract because we aren't closing the door completely and locking it. He felt pounding a stake in the ground especially in light of MDOT not increasing the funding to fix the crumbling state roads in the last 10 years. These issues need to be addressed. That alone reflects negatively on the MCRC because citizens think we have control over state roads. This notice will allow the MCRC to pursue options and he felt it was a right step forward at this time.

Commissioner Minton also supported the termination notice. He voiced a huge concern about money and maintaining the current workforce. He added that some things don't have a dollar tag associated with them, like the deteriorating I-75 ramps and no additional monies coming from MDOT. It is our responsibility to provide safety for the motoring public, so we need to get their attention that this is unacceptable. He liked the idea of getting to local roads and subdivisions quicker during and after a snow event. He felt this was a win-win and thanked the staff for all the work done in reviewing and evaluating the information.

Mr. Leach added there would be a salt savings since the crews could get into subdivisions much faster before the snow has a chance to pack down and become ice. There are several options available to offset the loss of revenue from the state, such as ordering smaller trucks to save money, or not replacing employees through attrition. The staff looked at all the variables and thought through a variety of options that could affect the organization and still feel confident that terminating the state contract is the right decision.

Commissioner Iacoangeli supported the one year required notice as well. For him, this is not a negotiation tool. This will allow the MCRC the opportunity to get out of the state contract. It will also allow the Road Commission to do the right thing for the citizens of Monroe County, and not for the State of Michigan, with the exception of possibly the "M" routes. He felt the level of service to county residents would increase as crews would be out patching, performing routine maintenance or plowing primary, local and subdivisions roads much sooner.

Commissioner Minton moved, seconded by Commissioner Stewart to approve the Resolution to send the one-year required termination notice to MDOT on the State Trunkline Contract; and authorize the Managing Director to send a letter outlining the MCRC would continue to service MDOT routes through 9/30/2019. Vote: Ayes: 5 Nays: 0 Motion carried.

2) Discussion on Road Commission Board vacancy.

Commissioner Iacoangeli indicated the County Board will be discussing the Road Commissioner reappointments at an upcoming meeting. In the past the Road Board sent a letter of support asking the County to reappoint members. He stated Commissioners Londo and Pace have served and done a good job setting on this board. He asked if the Board wanted to send a letter of support to the County asking to reappoint both Londo and Pace.

Commissioner Minton supported the idea of sending a recommendation letter to the County asking for the reappointment of both Commissioners Londo and Pace. He stated they both do a good job.

Commissioner Stewart also supported the idea.

Commissioner Iacoangeli indicated this board is one of the smoothest boards he has ever set on and he has been on many boards over the years. There is always thoughtful discussions on topics and this board works well together along with the staff and employees to do what is best for Monroe county drivers. He would like to see this group continue to work together and move forward.

Commissioner Minton moved, supported by Commissioner Stewart to send a recommendation letter to the Board of County Commissioners supporting the reappointment of Road Commissioners Charles A. Londo and Stephen J. Pace. Vote: Ayes: 3 Nays: 0 Abstain: 2 Motion carried.

3) Approve the 2019 Proposed MCRC Budget.

Commissioner Iacoangeli asked if the board was ready to approve the proposed 2019 MCRC budget as presented.

Commissioner Londo asked to postpone approval to allow the Director of Finance to look into the increased sales tax monies brought up earlier.

This item will be placed on the September 24, 2018 for action.

11. Report of Officers –

Randy Pierce (Managing Director) – Mr. Pierce had nothing additional to report.

Matthew Snell (County Highway Engineer) – Mr. Snell highlighted some of the projects being overseen by the Engineering Division. Two culverts on Lewis and Dean have been completed, thirteen (13) bridge decks have received preventative maintenance and the high risk rural lights are being installed this week.

Commissioner Minton asked on future Federal Aid projects when guardrail is being installed, if the board could be notified before the work is complete.

Commissioner Stewart inquired if the plans for the Sandywell SAD were reviewed by the Road Commission prior to the project being started. Mr. Snell explained that was before his time, but in checking with the staff he learned that the plans were reviewed and it was mentioned to the township engineer about the concern for the very issue that was discussed tonight, but it was not addressed.

Commissioner Minton clarified that our engineer reviewed the design and voiced a concern but the township engineer didn't deal with the concern. Mr. Snell indicated that was his understanding.

Commissioner Minton felt the township should not come back and ask for money when the Road Commission identified a concern prior to the start of the project and it wasn't addressed.

Commissioner Iacoangeli asked if the Vivian Road bridge project would be completed soon. Mr. Snell indicated it should be opened soon.

David M. Leach (Superintendent of Maintenance) – Mr. Leach stated the maintenance division is out pulling berms, and preparing for the second round of dust control. Spray patching is being done county-wide. There has been a few minor issues with some of the county-wide contractors, but the projects should be completed this season.

Mr. Leach explained that the contractor should be stabilizing S. Stony Creek tomorrow, and Lillian Subdivision should be done this week. The overband crack fill project is about 70% complete with an October 15th finish date. Meetings with the townships to discuss 2019 projects are being scheduled.

Dori Hawkins-Freelain (Director of Finance) – Ms. Hawkins-Freelain informed the Board that the staff is preparing to end the 2018 fiscal year and physical inventory is scheduled to begin tomorrow, and she looks forward to working with the auditors.

Philip Costello (General Counsel) – Mr. Costello was excused.

12. Public Comment -

Bob Queen, Exeter Township Supervisor, thanked Mr. Leach for dealing with the issue of added traffic on Zink Road due to the work being done on Stony Creek.

Mr. Queen also voiced his support of the MDOT termination notice. He felt it is better to serve the townships and put more trucks on county roads during snow events. He also felt public safety of county roads should come before the state roads.

Gary Williams, Local #543 President and Bedford Township resident, voiced a concern about terminating the state contract since it helps to offset the salaries of approximately eleven Local #543 employees. He also voiced a concern about losing the opportunity to secure future grants for trucks like the MCRC has done in the past since these trucks were used on the state highway system. He also asked for a copy of the 2019 proposed MCRC budget.

Barry Buschmann stated he was not aware of the concerns voiced on this project, but he would follow up with the concerns. He added that they try to work with the Road Commission on all these projects while being good custodians of the citizen's money.

David Hoffman, County Commissioner, felt it was a good decision to terminate the MDOT contract. He stated there was plenty of maintenance to keep the employees working, instead of working on the state roads.

Mr. Hoffman voiced a concern about CHOP workers stating it was often hard to work around them when they were working. They are doing a good job but they are fast, but they need to guard the roads.

Mr. Hoffman also encouraged the Road Board to attend the next county board meeting as the County Commissioners will be discussing the reappointments.

Jim Morgan, 30 year MCRC employee, appreciated all the discussion and comments regarding the state trunkline contract. He felt this was a big issue and was impressed with Commissioner Londo's review of the numbers involved.

Mr. Morgan stated he has a concern as a 30 year employee that the Road Commission wants to reduce the number of trucks on the road, or the idea of not replacing employees through attrition. He stated he wasn't necessarily for or against the decision to terminate the state contract but he appreciated all the comments and the questions related to the monetary impact this decision will have on the organization.

13. Commissioners' Comments -

Commissioner Pace stated back in the 90's he prepared a report showing the Road Commission needed a minimum of 50 trucks in order to do efficient snow removal in Monroe County, including the state highways.

He felt the Road Commission was going in the right direction, but would be upset if this resulted in a loss of employees. He would like to see the number of current employees stay in tact because he does not want to lose any service to the public.

Commissioner Stewart stated the MCRC needs flexibility with regards to the State contract. The MCRC needs to continue to move forward and not collapse or reduce the organization. He felt it is was important to always look at the numbers, and modify where necessary.

Commissioner Stewart added that the additional funds from the sales tax is still questionable. He was in the State Representative's office and asked the same questions and was told decisions are a consequence of elections. When money is available the legislature can always change their mind until it has been appropriated.

Commissioner Londo had nothing additional to report.

Commissioner Minton had nothing additional to report.

Commissioner Iacoangeli had nothing additional to report.

14. Adjournment -

Chairman Iacoangeli stated if there are no objections, the meeting is adjourned at 6:50 p.m.

Cheryl A. U'Ran

Cheryl A. U'Ran, Deputy Clerk