

**MINUTES OF THE BOARD OF COUNTY ROAD COMMISSIONERS  
MONROE, MICHIGAN  
November 9, 2015**

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, November 9, 2015 the meeting was called to order by Chairman Iacoangeli at 5:30 p.m.

2. Roll Call by Deputy Clerk as follows:

PRESENT	EXCUSED
Dan Minton	Charles Londo
Stephen J. Pace	Bruce R. Stammer, Jr.
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 silent Opening Prayer.

5. Commissioner Minton moved, seconded by Commissioner Pace to approve the November 9, 2015 regular meeting agenda as presented/amended. Vote: Ayes: 3 Nays: 0 Excused: 2 Motion carried.

6. Public Comment - None.

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

1) Approval of Minutes - October 12, 2015 Regular Meeting Minutes

2) Approval of Journal Entry

No. 731 Payroll Checks #62854-62863 & Advice #17714-17803	\$ 229,359.63
Bank Service Charge - October 2015	\$ 90.60
No. 732 Vendor Checks #67262-67320	\$ 429,838.82

3) Township Contracts - N/A

4) Pulled for discussion.

5) Approve the Resolution to lift the weight limit for a portion of Sigler Road (between US - 24/Telegraph Road and Calkins Road); and Calkins Road (between Sigler Road and Indian Trail) effective November 10, 2015, Ash Township, Monroe County, Michigan.

Commissioner Minton moved, seconded by Commissioner Pace to approve items 1, 2, 3 & 5 on the November 9, 2015 Consent Agenda as presented. Vote: Ayes: 3 Nays: 0 Excused: 2 Motion carried.

Discussion on Item #4 - Award bids for supplemental snow to all responding vendors.

Commissioner Minton reviewed the information and wanted to clarify that these vendors would be used only during heavy snowfall and our crews are busy and this help us to keep up with snow. Mr. Pierce indicated that was correct. If there was an overwhelming amount of snow, we would call for assistance as needed, which is why we would award the bid to all.

Commissioner Minton moved, seconded by Commissioner Pace to approve #4 - Awards bid for supplemental snow to all responding vendors. Vote: Ayes: 3 Nays: 0 Excused: 2 Motion carried.

8. Unfinished Business -

1) Continued discussion on the Post-Retirement Supplemental Benefits Distribution Program as outlined in Policy #2012-22.

Mr. Pierce indicated Director of Finance, Phil Masserant, has done extensive research on this topic and turned it over to him.

Mr. Masserant indicated a synopsis was provided in the Managing Director communication outlining the history of the Road Commission's 13<sup>th</sup> check. It would appear it started in 2000 and the 13<sup>th</sup> check was to be paid out of excess earnings from the investments placed in the retirement system. In 2012 with no significant earnings, the Road Commission board approved funding the 13<sup>th</sup> check.

Now in 2015, upon reviewing the contracts and policy the Board has the option to award 13<sup>th</sup> check or C.O.L.A. to retirees. If the Board chooses not to elect to pay out a 13<sup>th</sup> check, C.O.L.A. goes into effect. This is a unique year since the C.O.L.A. is 0% for 2015 based on the Consumer Price Index.

Mr. Masserant noted that in 2012 the County of Monroe changed their policy based on a poverty indicator. The Road Commission's program is based on a point system. To pay the 13<sup>th</sup> check would require a \$75,000 contribution from the general fund. He would recommend authorizing the 13<sup>th</sup> check for 2015 and revisiting the policy in 2016.

Commissioner Minton indicated the County policy provides an equal distribution to all retirees where the Road Commission's does not. He asked for clarification on the point system. Mr. Masserant explained in 2000, \$30,000 was divided among 37 retirees based on a point system where you received one point for each year of service and one point for each year retired. Every year it costs more and with more retirees and the increase due to C.O.L.A. the amount continues to increase. The Road Commission currently has about 68 retirees, but hasn't received the actual number of retirees eligible for the 13<sup>th</sup> check.

Commissioner Minton asked if anyone from the Road Commission sat on the retirement board. Mr. Masserant indicated Jim Morgan is the Road Commission representative and he has talked to him about the 13<sup>th</sup> check history.

Commissioner Minton would move to approve the 13<sup>th</sup> check. Commissioner Pace added that we also needed to fund the check program for \$75,000. Mr. Masserant indicated the Board needed to authorize the payment of the 13<sup>th</sup> check and also approve funding it from the county road fund since there are no excess earnings. He also indicated the 13<sup>th</sup> check was budgeted for.

Commissioner Minton moved, seconded by Commissioner Pace to authorize the 13<sup>th</sup> check and fund it for the 2015 calendar year. Vote: Ayes: 3 Nays: 0 Excused: 2 Motion carried.

Commissioner Iacoangeli asked if the policy has ever been followed. He read a section from Policy #2012-22, and asked if the Road Commission received the mentioned report. Mr. Masserant explained he couldn't find any type of report. The actuary would show what would be paid out if you implement C.O.L.A. and show the amount paid through a 13<sup>th</sup> check program, but it would appear the 13<sup>th</sup> check was typically cheaper than C.O.L.A. The 13<sup>th</sup> check would be discretionary and possibly one time. He also indicated there would be a significant cost to have an actuary performed.

Commissioner Iacoangeli indicated he was uncomfortable with issuing a 13<sup>th</sup> check because the funds were coming out of the road fund and that was not the original intent. He compared his experience with the City of Monroe. There are no excess earnings any more. Mr. Masserant also explained it impacts the fringe rates.

Commissioner Iacoangeli stated he understands the retirees are expecting a 13<sup>th</sup> check this year and he supported issuing the 13<sup>th</sup> check for this year, only with the understanding that the policy will be reviewed and re-evaluated to clear up how it actually functions.

Commissioner Minton agreed with Commissioner Iacoangeli's comments. He stated the 13<sup>th</sup> check is not a pension benefit, it is discretionary. C.O.L.A. would apply to a benefit itself, but the 13<sup>th</sup> check is issued as a benefit of excess earnings. The Defined Benefit Plans were not set up to be a bank, but to administer benefits. We are no longer in good times and many plans had to be modified. He didn't want to forego issuing a 13<sup>th</sup> check this year to the retirees, but he stressed the importance of reviewing the policy to make sure all retirees understand this isn't a guaranteed benefit in the future.

Commissioner Pace asked where the fund was located. Mr. Masserant explained \$300,000 was transferred into the retirement system to fund the 13<sup>th</sup> check. In 2000 there was \$30,000 established for the 13<sup>th</sup> check and you could carry over 10 years of distributions, so the \$300,000 was put into the system to fund the 13<sup>th</sup> check distribution for Road Commission retirees.

Commissioner Pace agreed that we need to re-evaluate the policy but should never forget about the retirees, but help the retirees where we can.

9. New Business –

Commissioner Pace recommended cancelling the November 23<sup>rd</sup> and December 21<sup>st</sup> meetings since they fall so close to the holidays. He indicated should something come up, the staff could always schedule a special meeting to deal with the issue.

Commissioner Pace moved, seconded by Commissioner Minton to cancel the November 23, 2015 and December 21, 2015 meetings. Vote: Ayes: 3 Nays: 0 Excused: 2 Motion carried.

10. Report of Officers –

*Randy Pierce* (Managing Director/Superintendent of Maintenance) – Mr. Pierce informed the Board that pre-season salt has been delivered, the brine tanks have been topped off, trucks have been changed over, serviced and plows are ready.

He also explained that enough volunteers have signed up for the night shift which should work well. Screens have been installed in the command center and the system is functional on the east side.

Mr. Pierce explained that projects on Dean Road, Monroe Road, Erie, and Elm in Ida should be wrapped up this week weather permitting.

Commissioner Minton asked when the night shift would start. Mr. Pierce explained he talked with the union and they agreed on the first week in December.

Gary Williams (Local #543 President) indicated the posting was for December 7<sup>th</sup> and the union had no problem with the date.

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

*Scott Assenmacher* (County Highway Engineer) – Mr. Assenmacher indicated he would be attending the London Township Meeting after the board meeting to discuss the truck route ordinance.

Mr. Assenmacher distributed copies of the information from the Monroe County Traffic Summit held last week. The information shows accomplishments in the county which included MDOT, Road Commission, City of Monroe and Ohio. Maps for 2015 federal aid projects, TIP projects to be rolled over and 2016-2017 TIP lists. The information was impressive and it was a good meeting overall.

He reminded the Board of the Federal Aid Committee meeting scheduled for Wednesday, November 18<sup>th</sup> at the Road Commission beginning at 1:30 p.m. The meeting will review the TIP list. He continues to work on the 2018-2019 list but it is not complete due to unknown funding. The Engineering Department continues to move forward to meet the deadlines.

Commissioner Pace asked about critical bridge funding. Mr. Assenmacher indicated we should know more by the end of the month for 2018 dollars. The Road Commission is hoping to get one project. He added Monroe County has 172 bridges with 40 being rated deficient.

*L. Camden Regis* (Human Resource Director) – Ms. Regis had nothing additional to report.

*Philip Costello* (General Counsel) – Mr. Costello informed the Board he has been busy working with the staff on driveway access and drainage issues. They hope to present a proposed policy in the near future that will standardize what is replaced during improvements. He explained a draft purchase agreement was provided for the Board's review but it didn't contain the legal description which will be forthcoming.

Commissioner Iacoangeli inquired what would be the next step. Mr. Costello indicated the document would be forwarded to Berlin Township for their review and approval as to form. The Township wanted to make sure there was a commitment on the Road Commission's part before moving forward and we want to make sure they have good title before changing any monies.

Commissioner Iacoangeli also inquired about the issue on Kay Drive. Mr. Costello indicated all the parties reached an agreement.

11. Public Comment – None.

12. Commissioners' Comments -

*Commissioner Pace* wished everyone a Happy & Safe Thanksgiving. He felt the Road Commission was going in the right direction and looked forward to seeing Scott's report on work that has been done since 2012 that will show we are moving in the right direction.

*Commissioner Stammer* was excused.

*Commissioner Londo* was excused.

*Commissioner Minton* had nothing additional to report.

*Commissioner Iacoangeli* also extended a Happy & Safe Thanksgiving to everyone.

13. Closed Session -

Chairman Stammer moved, seconded by Commissioner Davidson to enter into closed session at 6:04 p.m. for the purpose of discussing negotiations relative to collective bargaining.

Chairman, Paul Iacoangeli	YES	
Commissioner, Dan Minton	YES	
Commissioner, Charles Londo	Excused	
Commissioner, Stephen J. Pace	YES	
Commissioner, Bruce R. Stammer, Jr.	Excused	Motion carried.

Reconvene -

The Board of County Road Commissioners reconvened the November 9, 2015 meeting at 7:06 p.m. with the following Commissioners present:

Chairman, Paul Iacoangeli	YES
Commissioner, Dan Minton	YES
Commissioner, Charles Londo	Excused
Commissioner, Stephen J. Pace	YES
Commissioner, Bruce R. Stammer, Jr.	Excused

14. Adjournment -

Chairman Iacoangeli stated if there are no objections, the meeting is adjourned at 7:07 p.m.

*Cheryl A. U'Ran*

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Cheryl A. U'Ran, Deputy Clerk