

A REGULAR MEETING of the Board of Chippewa County Road Commissioners was held in their offices located at 3949 S. Mackinac Trail, Sault Ste. Marie, Michigan on May 17, 2018.

The meeting was called to order at 8:00 a.m. followed by the Pledge of Allegiance.

PRESENT: Chairman Timmer, Commissioner Ormsbee, Commissioner Gagnon, Manager Laitinen, Office Manager Decker Foreman Erickson, Foreman McConkey, Foreman Goodman, Chief Mechanic Marsh, Clerk Price and Union President Mills.

ABSENT: Engineer Krouth, Project Manager Jere, Surveyor Wiggins

MOTION by Commissioner Ormsbee **SECONDED** by Commissioner Gagnon that the Payroll in the amount of \$136,324.18 and Vouchers in the amount of \$242,027.06 be approved and authorized for payment from the County Road Fund subject to audit.

MOTION CARRIED

MOTION by Commissioner Ormsbee **SECONDED** by Chairman Timmer to approve the Regular meeting minutes held on May 3, 2018

MOTION CARRIED

PUBLIC COMMENTS

None at this time.

STAFF REPORTS

Foreman Erickson

- Crews are plenty busy.
- Sweeper is out cleaning up
- Prepping the summer equipment and lead trailers.
- Maintenance on the AMZ machine.
- Sand pit maintenance on Sugar Island.

Foreman Goodman

- Catching up on equipment maintenance.
- Grader and shoulder reclaimer are out on the gravel roads.
- Crack sealer maintenance, working the bugs out.
- New patch trailer is a big hit with all the crew.

Foreman McConkey

- Gravel road maintenance.
- Patching pot holes.
- Large wash out on Drummond Island required a culvert change.
- Tree removal and brushhogging on 15 Mile rd.

- Summer equipment maintenance.

Office Manager Decker

- PA 202 report due & was posted to Treasury. Waiting on Treasury response.
- Compactor research and pricing.
- Purchased a used Pick-up truck from O'Connors for the Pickford mechanic's use. The pick-up was perfectly set up for our needs.
- Security updates, new camera placed in front office to improve visibility at the main entrance.

Chief Mechanic Marsh

- Shop very busy.
- Our summer intern started, he has been working alongside our staff and is doing a great job.
- Traveling today with Manager Laitinen to Gaylord to inspect the new Kenworth trucks.
- Old dump trailer repair is complete and ready for sandblasting.
- AMZ machine maintenance.

Union President Mills - No Report

Managers Report

- Manager Laitinen reported that we have two Interns this summer that both started on May 14th. Nick LaCrosse is a Engineering Student and will be assisting in the office and on project sites.
- Payne and Dolan will begin paving operations tomorrow.
- Going to Gaylord today with Chief Mechanic Marsh to inspect the Kenworth trucks that are complete and ready for delivery. The trucks will then be sent to Truck & Trailer.
- Lakeshore and Baker projects were in the early May letting. Lakeshore came in about 5% over the project estimate due mostly to earthwork items. Bid total was \$2.189 Million. Baker came in 3.5% over at \$587,700.00. Low bidder on both projects was Payne & Dolan.
- 15 Mile paving bids were opened and will be discussed later in the Agenda.
- Employee Shawn Campbell was cleared to return to work without restrictions following his injury. Shawn has been assigned to inspect guardrail and perform repairs.
- Employee Walter Dumback is retiring today is his last day.
- Manager Laitinen reported that he received a survey request from MITA. The survey focuses on how/where Road Agencies are spending their additional funding. Manager Laitinen Suggested that our Legislators could better see the impact of the additional funding by visiting project sites in their districts. Office Manger Decker commented on the latest survey requesting information regarding the use of new funding dollars as a result of an increase to gas and registration taxes. It did not take into

consideration P.A. 202 which now requires every road commission to have a pot of money equal to or greater than 40% of their actuarially determined OPEB Liability and 60% on their pension liability. Our increase in revenue has averaged roughly \$125,000.00 per month which equates to an annual increase of 1,500,000.00. With regard to Other Post Employment Benefits (OPEB) alone, per an actuarial performed as of December 31, 2017, and according to the requirements of P.A. 202 we are required to set aside for future care cost \$1,542,729.00 annually. It doesn't take a CPA to figure out that our whole increase is now going towards satisfying those State requirements.

Cloverland Board of Directors Ballot

Manager Laitinen reviewed the Cloverland Director Candidates with the Board.

MOTION by Commissioner Gagnon **SECONDED** by Commissioner Ormsbee to vote for Charles Litnzer for the Cloverland Board of Directors.

MOTION CARRIED

Approval of Old Mission Loan Documents

This loan is for the six new Kenworth Tandem Trucks purchased earlier this year. Old Mission Bank was the low bidder at 3.31% interest. The financed amount is \$667,600.00.

MOTION by Commissioner Gagnon **SECONDED** by Commissioner Ormsbee to Authorize Chairman Timmer to sign the Old Mission loan documents.

MOTION CARRIED

15 Mile Road Bid

Two bids were received for the 15 Mile project. The bid package asked for two pricing options, HMA 5E mix and an Ultra Thin application. Payne and Dolan was the low bidder on both options.

MOTION by Commissioner Gagnon **SECONDED** by Commissioner Ormsbee to award the 15 Mile project to Payne & Dolan with the authorization to spend up to the budgeted amount of \$625,000.00

MOTION CARRIED

Loader/Backhoe for Drummond Island Discussion

Manager Laitinen explained that our 2018 budget included the purchase of a loader/backhoe. The State purchasing site MiDeal showed pricing for a new Case 580 Loader/Backhoe at \$73,825.00 which is approximately \$10,000 under the budgeted amount.

MOTION by Commissioner Gagnon **SECONDED** by Commissioner Ormsbee to approve the purchase of a new Case 580 loader/backhoe for \$73,825.00 through MiDeal.

MOTION CARRIED

Bruce Township Road Agreement

Manager Laitinen reviewed the contract and the scope of work to be done on 15 Mile Rd. in Bruce Township.

MOTION by Commissioner Ormsbee **SECONDED** by Commissioner Gagnon to approve the Bruce Township Road Agreement for 15 Mile Road.

MOTION CARRIED

COUNTY COMMISSIONERS' COMMENTS - None

PUBLIC COMMENTS:

Kinross Township Supervisor Moore asked about the paving schedule. Manager Laitinen let him know they are starting today and will finishing the paving left from last fall. Supervisor Moore asked if Manager Laitinen has had any payment or communication with Sault Tribe. Manager Laitinen replied that he has been in contact and things are moving forward. Mr. Moore then asked for Sign Foreman Young to contact him regarding signage changes.

ROAD COMMISSIONERS COMMENTS:

Chairman Timmer reminded all to stay safe.

With no further business to come before the Board, the meeting adjourned at 9:05 A.M.

Amy L Price
Clerk for the Board

Richard B. Timmer
Chairman