

June 26, 2012

A Workshop Meeting of the Board of Delta County Road Commissioners was held on Tuesday, June 26, 2012 at 3:00 p.m. at the Main Office, 3000 32nd Avenue North, Escanaba, Michigan.

Present at the workshop were Chairman Randy Bjork, Vice Chairman Dennis Stanek, Commissioner Pete Stropich, and Commissioner Mike Larrabee. Also in attendance was Managing Director Rob VanEffen and County Board Liaison Dave Rivard.

Several citizens attended and a discussion was held regarding the Vehicle Maintenance Proposals.

The Regular Meeting agenda items were reviewed and/or discussed.

A Regular Meeting of the Board of Delta County Road Commissioners was held on Tuesday, June 26, 2012 at 5:15 p.m. at the Main Office, 3000 32nd Avenue North, Escanaba, Michigan.

The meeting was called to order at 5:15 by the Chairman, followed by the Pledge of Allegiance.

PRESENT: Chairman Randy Bjork, Vice Chairman Dennis Stanek, Commissioner Pete Stropich, Commissioner Rory Mattson, and Commissioner Mike Larrabee.

ABSENT: None.

Chairman Bjork asked if there was anyone wishing to be added to the Agenda and moved to approve the Agenda as printed with one addition under Item 2A – Tom Peterson from Bayview Truck Service.

There being no changes or corrections, it was moved by Chairman Bjork to approve the Minutes of the June 12, 2012 Workshop & Regular Meetings as proposed.

Tom Peterson, owner of Bayview Truck Service, addressed the Board with concerns over the proposals received for Vehicle Maintenance and the idea of leasing out a portion of our garage to a privately owned company which he stated he believes will cause the Road Commission to lose its tax-exempt status. Other concerns he voiced were that it will not be a savings to taxpayers, there are local shops that could help with overflow repair work as is being done now at a lower hourly rate, the road commission will not be able to hold the third party accountable for the parts they use or the work they do, the mechanics and shop employees are doing a good job now but they could use more help but that help can be found in the community and what may work at St. Clair County where the third party maintenance program is being used, won't necessarily be what's best for Delta County as things are different in the U.P. than downstate.

Peter Mark asked if he could speak and was told that since he didn't request being added to the Agenda he could speak under Public Concerns at the end. Commissioner Mattson moved to allow anyone in the audience that wished to speak on the Vehicle Maintenance issue a minimum of three minutes per person to address the Board. Commissioner Larrabee seconded the motion. Under discussion Commissioner Stanek asked if each person could only have one three-minute period and that was agreed upon. Motion Carried.

Ayes – 5 Nays – 0

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Peter Mark stated that this issue was discussed during the workshop but he would like to get it on record that it was explained that the request for proposals was strictly for exploratory purposes and no contract or award has been given. He thought he recalled a motion being made at the last regular meeting to choose the private vendor but Commissioner Larrabee read from the minutes of the June 12th meeting that the matter was discussed but no motion was made nor any action taken. Commissioner Mattson stated that as far as he was concerned he was not ready to vote on this issue but would like the process to continue of exploring it and determining what the cost savings would likely be and encourage those in attendance to stay engaged in the process.

Managing Director Rob VanEffen informed the Board about new requirements for operation of Underground Fuel Storage Tanks. Information was received recently on the requirements - which were put into effect May 8, 2012 – with MDEQ beginning to check for compliance in mid-August and to start issuing citations in January, 2013. Mr. VanEffen will continue to look into what needs to be done to be in compliance and will keep the Board updated on the issue.

It was moved by Commissioner Mattson, seconded by Commissioner Stropich to authorize Managing Director Rob VanEffen, if it's cleared by our attorney, to approach the other bidder for the sale of the Wells District garage to inquire if they are still interested in purchasing it and if so, if they would be willing to meet with the Board to negotiate a purchase price – due to the fact that the only other and highest bidder subsequently withdrew their bid and it was the second time bids were taken for the sale of the property – and to return the bid bonds that were received with the bids to the respective bidders.

Ayes – 5 Nays - 0

Managing Director Rob VanEffen updated the Board regarding the paving of primary roads 511 and 428 which the Board approved at the June 12, 2012 Regular Meeting. Originally Mr. VanEffen had hoped to pave approximately 5.2 miles on C.R. 428, but after looking into it and estimating costs, he only feels comfortable with up to 4,000 tons of material which will allow between 2 and 2 ½ miles of paving in order to keep within budget restrictions.

Managing Director Rob VanEffen also updated the Board regarding some changes in the gravel crushing bid process that occurred after the approval at the last meeting. One of the locations was not suitable and was eliminated and Payne & Dolan could not crush at Marvic's pit and therefore it will be done by the second lowest bidder.

It was moved by Commissioner Larrabee, seconded by Commissioner Stanek to accept and approve the cover sheet drafted by Managing Director Rob VanEffen to be given out with the Road Maintenance Priorities Resolution that was approved at the June 12, 2012 Regular Meeting.

Ayes – 5 Nays – 0

The following items of correspondence were reviewed and/or discussed: 1) Township Association Annual Picnic – July 19, 2012

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It was moved by Commissioner Larrabee, seconded by Commissioner Stropich to approve Bills Payable Voucher No. 2347 of 6/26/12 in the amount of \$88,605.74 and Payroll Voucher No. 68899 of 6/21/12 in the amount of \$51,192.36 as presented and reviewed. Roll Call Vote:

Commissioner Stropich – Yes
Commissioner Mattson - Yes
Vice Chairman Stanek - Yes
Commissioner Larrabee – Yes
Chairman Bjork – Yes

It was moved by Commissioner Stropich, seconded by Commissioner Larrabee to approve and authorize any board member to sign several Township Project Agreements as recommended by Managing Director Rob VanEffen.

Ayes – 5 Nays – 0

Kevin Keveney, Teamsters Local 486 Business Agent, discussed a letter he presented to the Board earlier regarding the Vehicle Maintenance Proposals. The letter listed several concerns that the Union has with the contracting of an outside party for vehicle maintenance, including the following:

- Opposition to the elimination of jobs as a result of privatization
- If certification or additional training is a concern it should be possible to provide access to both for current employees
- Bid cost per hour is more than current labor costs and would ultimately be more costly for the Road Commission
- Loss of direct control of employees and maintenance and loss of accountability by the Board
- Possibility of litigation as the Board is ultimately accountable to taxpayers – private companies are motivated by profit and have little responsibility to the road commission
- Taxpayer anger over the use of a public facility by a for-profit company
- Public employees are prohibited from striking but shifting the work to private vendors could result in the interruption of services through lawful strikes by their employees

It is the Union's position that privatization is an extreme fix that will not serve the Delta County Road Commission or the citizens of Delta County in the long term.

To affirm a motion made at the joint public hearing held at the County Board of Commissioners' meeting on June 19, 2012, It was moved by Commissioner Mattson, seconded by Commissioner Larrabee to write a letter in conjunction with the Board of County Road Commissioners, and Nahma Township to the U.S. Forest Service (both the regional and national offices) to state the several reasons why we are opposed to the U.S. Forest Service's proposed relocation of C.R. 497. – and that the letter also be sent to all local legislators both in Lansing and in Washington, the Governor's office, the national fiscal responsibility office, natural resource and environmental committees and any other organization deemed appropriate. The object of the letter would be to relate the comments made at the June 19th public hearing and that when it was asked at that hearing if anyone was in favor of the relocation there were no hands raised. Commissioner Mattson indicated that he is hoping that Glen Lamberg from Nahma Township will draft a letter for all parties to review and approve.

Ayes – 5 Nays – 0

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Under Commissioners' Comments, Commissioner Larrabee explained that at the U.P. Road Builder's Summer Meeting it was stated that we should be able to expect a 1% increase in MTF, and asked about the podium and microphone and whether we should be using it if necessary to hear and record all the speakers. Commissioner Stropich thanked everyone for attending and said that their comments did not fall on deaf ears and would be taken into consideration.

Commissioner Stanek reminded the other commissioners that a decision will have to be made at the next meeting on the MCRCSIP proposals so that he will know how to vote for the road commission when he attends the MCRCSIP Annual Meeting. He also thanked the people that were in attendance and explained that the proposals for vehicle maintenance was part of a very long process and there were concerns that caused the start of the process and while the concerns of several taxpayers were represented by the comments made tonight there are thousands more that may have other concerns or opinions. He asked those that spoke to the Board to please provide their comments and concerns to the Board in writing and to provide data to back up their claims. He also asked Managing Director Rob VanEffen to verify the information on the labor costs that Kevin Keveney said he was in disagreement with.

Commissioner Mattson gave a brief history of the C.R. 497 relocation issue for those in attendance.

Commissioner Bjork thanked those that had addressed the Board and also stated that he wished more of those in attendance would have spoken. He learned a lot from those that addressed the issue.

There being no further business to come before the board at this time, Chairman Bjork moved to adjourn the meeting at 6:00 p.m.

Randolph Bjork, Chairman

Amy J. Reinhardt, Deputy County Clerk

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