

**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 June 29, 2017.

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 Mgr. Decker, Engineer Krouth, Surveyor Wiggins, Foreman Erickson, Foreman McConkey, Chief Mechanic Marsh and Clerk Price.

**ABSENT:** Project Manager Jere, Foreman Goodman, and Union President Hopper.

Chairman Timmer approved agenda as presented.

**MOTION** by Commissioner Ormsbee **SECONDED** by Commissioner Gagnon that the Payroll in the amount of \$128,170.77 and Vouchers in the amount of \$306,161.63 be approved and authorized for payment from the County Road Fund subject to audit.

**MOTION CARRIED**

**MOTION** by Commissioner Gagnon **SECONDED** by Commissioner Ormsbee to approve the minutes from the Regular Meeting held on June 15, 2017.

**MOTION CARRIED**

**PUBLIC COMMENTS** Kinross Township Supervisor Moore was present and asked if Forest Lodge Road in Kincheloe will be paved this season. Manager Laitinen answered yes. Supervisor Moore then asked the timeline for re-sealing M-80. Manager Laitinen indicated that is a State project and he has no information.

**STAFF REPORTS**

Foreman Erickson

- Crews were busy with prep and finish work on W 5 Mile Road, White Side Road and Scenic Dr. These roads were recently paved.
- Culvert change preparations on Lockhart Rd.
- Hauled gravel from the Duck Lake pit on Sugar Island to the Soo. Manager Laitinen mentioned that we are losing use of the site.
- Ditch clean outs.

Foreman McConkey

- Patching side roads.
- Pipe changes.
- Lots of storm clean-up.
- Gravel Maintenance on Spring Bay Road.

- Mechanic has been busy with truck maintenance.

#### Surveyor Wiggins

- Staking out jobs on Prairie Road and Lockhart Road.
- DEQ permit submissions.
- Started prep work on the Lakeshore Dr project.
- Learning the ins and outs of the new GPS system.

Chairman Timmer Asked when we are going back to the large culvert job on 12 Mile. Manager Laitinen stated that he is expecting it to be the end of July.

#### Office Manager Decker

- Working on gathering information required by Public Act 530. This Act was passed last year and places new requirements on Pension funding and reporting. This is a discussion item later in the meeting.
- Oscar Larson Inc will be at the Sault garage to do maintenance on the fuel tank today.
- Health Insurance renewal research.

#### Engineer Krouth.

- Attended the U.P. Road Builders Conference. While at the conference we had a meeting with MDOT regarding our Category F grant.
- Met with the Grant Coordinators at the 12 Mile culvert site.
- The Riverside Dr. Project has started and may be ready for paving next week.
- The Little Rapids Project has one more change order for a guardrail replacement and will then be complete. An August 24<sup>th</sup> ribbon cutting ceremony is planned.

#### Chief Mechanic Marsh

- Shop is staying busy with daily work and maintenance.
- Will be doing transmission changes on two of the older trucks.

#### Manager Laitinen

- Attend the U.P. Road Builders, while at the conference I gave my Bridge Project presentation. All went well.
- Met with Matt Wiitala on the Category F grant. He indicated that he is willing to do direct grants that will speed up the process.
- The engineering staff and I have been doing follow up inspections on last year's paving projects held over to this season. They all turned out well.
- The four person youth crew has been working for a couple weeks now and have been doing a good job.
- Manager Laitinen reported that he will be gathering quotes to rent a large crane for the 12 Mile box culvert job. He is

expecting to need the crane for a month. Again Manager Laitinen reported that the project should start mid July.

**NEW BUSINESS**

Fuel & Oil Bid Award

Manager Laitinen first reviewed the fuel bids. Three bids were received, Autore Oil, Shute Oil and Crystal Flash. Because prices fluctuate we asked vendors to quote as a % over rack price. As in the past Autore Oil quoted fuel prices for the following locations: SSM, Sugar Island, Neebish, Drummond, Goetzville and Pickford. Shute Oil fuel prices for the following locations: Brimley & Eckerman. Crystal Flash quoted all locations. Manager Laitinen's recommendation is to accept the bids from Autore Oil and Shute Oil.

**MOTION** by Commissioner Gagnon **SECONDED** by Commissioner Ormsbee to award the fuel bid to Autore Oil and Shute Oil for the locations quoted.

**MOTION CARRIED**

John Smart represents Texas Refinery and was on hand to provide information to the Board about his oil products. Although his product is clearly more expensive it lengthens the time between changes. He suggested that we could possibly do a test unit to compare with other products. He thanked the Board for their time.

Manager Laitinen reviewed the oil bids. Three bids were received, John Smart quoting Texas Refinery, Northern Energy quoting Chevron/Havoline, & Autore Oil also quoting Chevron/Havoline. After review of the bids it is Manager Laitinen's recommendation that we accept the low bid by Northern Energy.

**MOTION** by Commissioner Gagnon **SECONDED** by Commissioner Ormsbee to award the oil bid to Northern Energy.

**MOTION CARRIED**

Manager Laitinen and Commissioner Ormsbee both indicated that they would like to order a barrel of the Texas Refinery product and test it with our equipment.

**Approval of Township Road Contracts.**

- Soo Township: 4 Mile Road
- Pickford Township: 21 Mile Road
- Pickford Township: Libby Road
- Pickford Township: Hower Road
- Pickford Township: Hanna Road

Rudyard Township: Prairie Road  
Rudyard Township: Bay Road  
Raber Township: Clay Road  
Raber Township: Rocky Point Road  
Raber Township: Point Aux Frenes Rd

Manager Laitinen reviewed the Township Road contracts and broke them down between earthwork and paving work. The County total for the above work will be \$361,056.00. Commissioner Ormsbee asked about what was budgeted. Office Manager Decker indicated that he would check. Manager Laitinen mentioned that the bulk of the work will be next season.

**MOTION** by Commissioner Gagnon **SECONDED** by Commissioner Ormsbee to Approve the Township Road Contracts as presented.

**MOTION CARRIED**

#### **Mowing Equipment Purchase Proposal**

The past several seasons Mr. Jesse Knoll has done countywide roadside mowing. He informed us on June 14 that because of health reasons he would not be able to continue. Along with his resignation he presented a proposal of sale for his mowing equipment for a lump sum of \$30,000. All the mowing equipment was new in 2016 and is in excellent condition. Manager Laitinen commented that Mr. Knoll's resignation came as a surprise and has left us without a contractor to do the work at a critical time in the season. Manager Laitinen told the Board that we have no other interested contractors. This equipment is ready to use now and in the interest of Public Safety we need to make this investment. Chairman Timmer indicated that it is a great opportunity to purchase quality equipment at a much discounted price. Manager Laitinen informed the Board that this is over the \$15,000 and would normally require a sealed bid but our policy and Act 51 allow for direct purchases up to \$50,000 in emergency situations. Manager Laitinen also stated that this situation constituted an emergency.

**MOTION** by Commissioner Gagnon **SECONDED** by Commissioner Ormsbee to accept the mowing equipment purchase proposal in the amount of \$30,000 for the Tractor, Mower, Brushhog and Trailer in order to more quickly respond to the emergency situation and begin operations immediately.

**MOTION CARRIED**

#### **Approval Resolution 2017-03 Honoring Retiree Thomas E. Lehman**

After nearly 40 years of dedicated service, employee Thomas E. Lehman has retired. Manager Laitinen read the Resolution to the Board. He added that Mr. Lehman always went above and beyond for his community and his co-workers.

**MOTION** by Commissioner Ormsbee **SECONDED** by Commissioner Gagnon to approve Resolution #2017-03.

**MOTION PASSED BY UNANIMOUS ROLL CALL VOTE**

Manager Laitinen announced that we have two others retiring this month, Russ Tyner from the Neebish Island garage and Scott Marchetti from the Sault garage.

**MCRCSIP 2017 Board of Director Election.**

A ballot request for the MCRCSIP Board of Directors was received along with letters of interest from each candidate. Two at large position's are available, one is a three year term and the other is for one year. Chairman Timmer mentioned that he would like to support Russell Williams with Marquette County and Lester Livermore from Mackinac County. Manager Laitinen agreed.

**MOTION** by Commissioner Ormsbee **SECONDED** by Commissioner Gagnon to support Russell Williams with Marquette County and Lester Livermore from Mackinac County.

**MOTION CARRIED**

**MERS DISCUSSION**

Manager Laitinen led the discussion on MERS funding. Act 530 of 2016 in part requires that Government agencies maintain certain funding levels for their employee pensions. An actuarial was performed by MERS and additional payments are needed to comply with the new requirement. Both the phase-in and no phase-in and accelerated payment options were discussed. Additionally, Act 530 requires that any agency that is below 60% funded must post the steps being taking to decrease its unfunded liability. Discussion ensued.

**Health Insurance Discussion**

Office Manager Decker informed the Board that the BC/BS renewal information has been received. The increase is about 11%. A meeting with the Union Officials is scheduled for Monday July 10<sup>th</sup>.

**OLD BUSINESS** None

**COUNTY COMMISSIONERS' COMMENTS** None

**PUBLIC COMMENTS:** None

**ROAD COMMISSIONERS COMMENTS**

Chairman Timmer asked if we have been doing any maintenance brining. Manager Laitinen responded that with the wet weather the need has decreased and that the Townships have been doing their heavier travelled roads. Office Manager Decker suggested that we increase the cost share of brining with the Townships to encourage them to continue and to do more. Kinross Township Supervisor Moore mentioned that they always have taken advantage of the brining cost sharing.

Foreman Erickson thanked the Board for acting so quickly on the mowing equipment purchase. He also wanted to thank retiree Tom Lehman for all his help and mentioned two more upcoming retirements. Scott Marchetti from the Soo garage and Russ Tyner from the Neebish Island garage. Foreman Erickson acknowledged their years of service and commitment to the Road Commission.

Office Manager Decker mentioned that the new Excavator is being delivered today at 11:00.

There being no further business to come before the Board Chairman Timmer adjourned the meeting at 10:04 a.m.

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Amy L Price  
Clerk for the Board

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Richard Timmer  
Chairman