

Special Meeting
Thursday, March 22, 2018

SPECIAL MEETING

The Board of County Road Commissioners of Iron County held a Special Meeting on Thursday, March 22, 2018 at 3:00p.m. in the Road Commission office located at 800 West Franklin Street, Iron River, Michigan.

Present were Chairman Chris Sholander, Vice Chairman Ernest Schmidt, Charles Battan, Dan Germic, Sue Clisch, Superintendent/Manager Doug Tomasoski, Finance Director/Clerk Lisa Powell.

Also present were Patti Leonoff, staff member and Dean Stolberg, shop foreman.

The purpose of the special meeting was to discuss the following:

1. Truck Bids
2. Fixed Asset Policy
3. Investment Policy
4. Computer upgrade
5. Sunset Lake Road Project 130455A resolution
6. Amicus support for MI Supreme Court appeal

Chairman Sholander called the meeting to order and led the pledge of allegiance.

Truck Bids

There was discussion of several line items for clarification and then Commissioner Germic made a motion to accept the low bid for the Western Star from UP Truck Center of Quinnesec with support by Commissioner Battan.

On a roll call vote-Ayes: Germic, Clisch, Schmidt, Battan and Sholander.

Nays: None

Motion carried

Fixed Asset Policy #43

After a presentation from the Finance Director of the new policy, a motion made by Commissioner Schmidt with support from Commissioner Germic to adopt the Fixed Asset Policy as attached.

On a roll call vote-Ayes: Battan, Schmidt, Clisch, Germic, and Sholander

Nays: None

Motion carried

Investment Policy #19 Update

In a motion by Germic and support by Schmidt the Investment Policy was updated with Investments requiring approval of the Board and is attached to the minutes.

On a roll call vote-Ayes: Germic, Clisch, Schmidt, Battan and Sholander.

Nays: None

Motion carried

Commissioner Schmidt left the meeting

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Computer Upgrade

A presentation was given by Lisa Powell the Finance Director to purchase a server and firewall to upgrade the cyber security of our system and to add a mobile timecard system. Estimate from Lloyd Jacobson for \$5,022 and software of \$4,000. Also to include the purchase of "kiosks" for inputting the time at the garages.

A motion made by Commissioner Battan to upgrade up to the amount of \$15,000. Support by Commissioner Germic.

On a roll call vote-Ayes: Battan, Clisch, Germic and Sholander.

Nays: None

Motion carried

Sunset Lake Road Project 130455A resolution

Commissioner Germic offered the following resolution which was supported by Commissioner Clisch and duly adopted:

WHEREAS, the BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF IRON, STATE OF MICHIGAN has received the following Michigan Department of Transportation contract:

Control Section	STL 36141
Job Number	130455A
Project	1800(374)
CFDA No.	20.205
Contract No.	18-5070

And **WHEREAS**, the BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF IRON, STATE OF MICHIGAN desires to contract with the Michigan Department of Transportation for:

Hot mix asphalt crushing, shaping and resurfacing work along County Road 651 (Sunset Lake Road) from Section 16 Road northerly to Noren Road; and all together with the necessary related work.

THEREFORE, BE IT RESOLVED, that the BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF IRON, STATE OF MICHIGAN hereby authorizes Chairman Chris Sholander and Superintendent/Manager Douglas C. Tomasoski to sign the above referenced contract.

On a roll call vote- Ayes-Commissioner Germic, Clisch, Schmidt, Battan and Chairman Sholander

Nays – None

Motion carried

A motion made by Commissioner Germic to accept the resolution. Support by Commissioner Clisch. The above resolution was sent out with the original MDOT contracts.

On a roll call vote-Ayes: Germic, Clisch, Battan and Sholander.

Nays: None

Motion carried

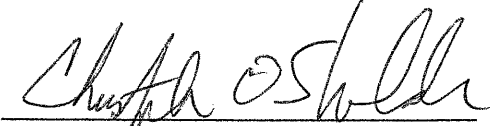
A motion made by Commissioner Germic to authorize the Chairman to support MCRCSIP request for amicus support for the MI Supreme Court appeal for County of Ingham v MCRCSIP. Support by Commissioner Clisch.

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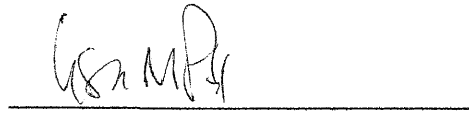
Ayes: All
Nays: None
Motion carried

With no further business to come before the Board it was motioned by Germic, supported by Clisch to adjourn the special meeting at 3:55 pm.

Ayes: All
Nays: None
Motion carried.



Chairman



Clerk

Bid Summary
Iron County Road Commission

2017 - Tandem Axle Truck

	JX Peterbilt Bay)	(Green)	Kriete Truck Center (De Pere)	U.P. Truck Center (Quinnesec)	UP International Trucks (Iron Mountain)	UP International Trucks (Iron Mountain)
	2019 Peterbilt 367 (Monroe body package)	2019 Volvo VHD64B300 (Casper body package)	2019 Western Star 4700 SB (Monroe body package)		2019 International HV613 (Monroe body package)	2019 International HX515 (Monroe body package)
single unit	\$252,119.00	\$249,304.00	\$239,913.00		\$246,846.00	\$248,779.00
2017 bid price	\$260,140.00	\$259,310.00	\$245,223.00			
2016 bid price	\$233,906.00	(2017 was a Mack)	\$224,495.00			
2015 bid price	\$232,507.00		\$222,995.00			
chassis only	\$130,180.00		\$117,974.00		\$124,907.00	\$126,840.00
body equip only	\$121,939.00	\$125,804.00	\$121,939.00		\$121,939.00	\$121,939.00
references ---->	Marquette County Oconto County Marquette County	Village of Liberty Grove Marinette Highway Dept. City of Green Bay	Ashland County Hwy Dept Delta CRC Dickinson CRC	Brown County Hwy Dept Shawanno County Hwy Dept Village of Suamico	Brown County Hwy Dept Shawanno County Hwy Dept Village of Suamico	Brown County Hwy Dept Shawanno County Hwy Dept Village of Suamico
	JX Truck Center - Green Bay 201 Lawrence Drive De Pere, WI 54115 Scott Lemke 920-337-2560 920-606-2777 (cell) fax: 920-337-2570 slemke@jxe.com	Kriete Truck Center 2090 Mid Valley Drive DePere, WI 54115 John Heikkila 906-456-9351 johnh@kgtruck.com	U.P. Truck Center, Inc. P.O. Box 883 Quinnesec, MI 49876 Todd Johnson 906-774-0098 906-458-6985 (cell) fax: 906-774-9480 todd@uptruckcenter.com	UP International Trucks P.O. Box 883 Iron Mountain, MI 49801 Mark Winkler 920-621-4085 920-621-4085 fax: 715-526-5287 mwinkler@pcitrucks.com	UP International Trucks P.O. Box 883 Iron Mountain, MI 49801 Mark Winkler 920-621-4085 920-621-4085 fax: 715-526-5287 mwinkler@pcitrucks.com	UP International Trucks P.O. Box 883 Iron Mountain, MI 49801 Mark Winkler 920-621-4085 920-621-4085 fax: 715-526-5287 mwinkler@pcitrucks.com
Warranty Information	1 year / 100,000 miles	1 year / 100,000 miles	5 yr / 300,000 miles	1 year / unlimited miles	1 year / unlimited miles	1 year / unlimited miles
total vehicle	3 year / 300,000 miles	2 year / 250,000 miles	3 years	5 year / 30,000 mi / 10,800 hrs	5 year / 30,000 mi / 10,800 hrs	5 year / 30,000 mi / 10,800 hrs
engine	5 year / 500,000 miles	3 year / 350,000 miles	5 years	3 yr / unlimited miles	3 yr / unlimited miles	3 yr / unlimited miles
transmission	3 year / 300,000 miles	5 year / 500,000 miles	2 years	5 year / unlimited miles	5 year / unlimited miles	5 year / unlimited miles
frame	3 year / 300,000 miles	3 year / 350,000 miles	3 years	3 year / 300,000 miles	3 year / 300,000 miles	3 year / 300,000 miles
front axle	3 year / 300,000 miles	3 year / 350,000 miles	3 years	3 year / 300,000 miles	3 year / 300,000 miles	3 year / 300,000 miles
rear axle				• optional 5 yr / 200,000 extended drivetrain (includes driveshafts)	• optional 5 yr drivetrain (includes driveshafts)	• optional 5 yr drivetrain (includes driveshafts)

JX Peterbilt (Green Bay)	Kriete Truck Center (De Pere)	J.P. Truck Center (Quinnesec)	UP International Trucks (Iron Mountain)	UP International Trucks (Iron Mountain)
<p>2018 Peterbilt 367</p> <ul style="list-style-type: none"> • 66,000 GVW [64,740 due to tires] • engine air cleaner w/vacuator [no evacuator] • diagnostic tool [not in bid] • 3 batteries @ 2700 cca [2100] • disconnect inside cab [no battery box] • [turn signal manual cancel] • [spare switches not wired to fuse panel] • 20' front frame extension [22.4"] • s/s grill - composite hood • unit color to be verified before order • defrost fan, header mounted [header mount not available] • direct read gauge...trans temp [show in dash display] • units to be shipped to body supplier • 1 each parts & service manuals • [externally mounted bug screen] • exterior sun visor with lights [no lights on outside visor] • spare wheels - one each fr/back [no spares provided] • [\$529 steer / \$300 drive] • tires frt = 18ply Goodyear G-296 trd drv = 14ply Goodyear G822 trd [Bridgestone M799 16ply or other] • WB > 194" [+/- 214"] • Cab-trunion < 132" [Cab-axle +/- 137"] • [aluminum rims not painted] • Hood top painted flat black [hood top not painted] • brakes to be Bendix Extended Service <p>early pay discount = \$2,000 (chassis delivered to body co)</p> <ul style="list-style-type: none"> • chassis to body co within 120 days • bid good for 25 days (3-8-18 bid date) 	<p>2019 Volvo VHD64E300</p> <ul style="list-style-type: none"> • [after-treatment under pass. door] • Blackbelt Maxx box 	<p>2018 Western Star 4700 SB</p> <ul style="list-style-type: none"> • 66,000 GVW [64,700 due to tires] • Cab-trunion 132" max [138" prev trucks] • 425 hp [450 hp] • anti-freeze: -40 F [-60 F] • + oil pan pre-heater • filters: oil, fuel & water [no coolant filter w/ Detroit] • fan clutch Horton or Aeq [Kysor] • diagnostic tool [see options] • radiator cut-out for shaft • 3 batteries @ 2700 cca [2190] • battery box-frame mount [in cab] • battery disconnect [WestStar shut-off] • trans. diagnostic tool [option] • 31" frt extended rails [24"FFE] • 20" front frame extension [24"] • 2 spare rear wheels [1] • cab - aluminum or equiv. rust prot [galvanized steel] • electrical sys self-test diagnos. [no - no multiplex wiring] • fender extensions 4" [2"] • windshield 1-piece [2-piece] • wiring system - multi-plex.... [point to point wiring] <p>optional deducts: (partial listing)</p> <ul style="list-style-type: none"> - extra speed sensor (\$ 95) - full locking rear difs (\$275) - traction control (\$ 95) - spare front wheel (\$ 235) - spare rear wheel (each) (\$140) - Stainless steel cab skirt (\$ 45) - door peak window (\$ 40) - premium interior (\$ 80) - black dash (std gray) (\$ 50) - Max Inter. Light package (\$ 30) <p>optional additional warranties</p> <p>additional options listed: (partial list)</p> <ul style="list-style-type: none"> - engine 5yr/300K + \$3300 - engine 7yr/250K + \$2435 - engine 7yr/400K + \$3155 - transmission add 2yr + \$902 - axles add 2yr + \$293 	<p>2019 International HX515</p> <ul style="list-style-type: none"> • filters - spin-on [cartridge + no water] • filters - 2-engine mount [1 - frame] • alum tread plate-bumper [not option] • front axle-springs 23,000# [20,000#] • tires-front 18-Ply [20-Ply] • ambient outside temp [not option] • defrost fan-left side [not option] • window 'look-down" [not option] • financing [quote upon award] 	<p>2019 International HV613</p> <ul style="list-style-type: none"> • filters - spin-on [cartridge + no water] • filters - 2-engine mount [1 - frame] • alum tread plate-bumper [not option] • front axle-springs 23,000# [22,600#] • tires-front 18-Ply [20-Ply] • aluminum cab [galvanized steel] • defrost fan-left side [not option] • window 'look-down" [not option]

Deviations/Exceptions specified [bid]

Other

POLICY NO. 43**BOARD OF COUNTY ROAD COMMISSIONERS
OF THE COUNTY OF IRON**

DATE ADOPTED: Special Meeting of March 22, 2018

FIXED ASSET DETERMINATION POLICY**DEFINITIONS:**

Capital Assets – Equipment items and furnishings with a purchase price greater than \$5,000 AND a useful life greater than three (3) years and ALL EQUIPMENT ITEMS (regardless of purchase price or useful life) that have a Schedule C code and rate.

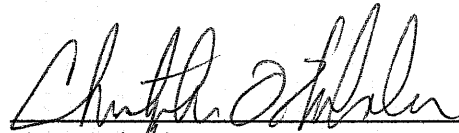
Depreciation – The allocation of the cost of a capital asset over its estimated economic life.


Capital Asset Account Group – The Capital Asset Account Group is not a fund because it does not account for available financial resources or governmental obligations. The Capital Asset Accounts Group may include a variety of general capital assets such as land, land improvements, buildings, equipment, vehicles and infrastructure assets.

POLICY:

It is the policy of the Iron County Road Commission to follow generally accepted governmental accounting practices. Governmental GAAP for Michigan County Road Commissions requires that certain types of purchases be capitalized and depreciated, rather than expensed at the time of purchase. It is the purpose of this policy to set the parameters to define when purchases should be expensed and when they should be capitalized and depreciated and to define the necessary record keeping requirements.

All depreciable assets must be entered into the accounting software as a Fixed Asset and be accounted for in the Capital Asset Account Group. Depreciation expense must be calculated and recorded as required.


Chris Sholander
Chairman


Douglas C. Tomasoski, P.E.
Superintendent/Manager

AMENDED

POLICY NO. 19

BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF IRON

DATE ADOPTED: Special Meeting March 22, 2018

TITLE: INVESTMENTS

I. Purpose:

- A. It is the policy of the Iron County Road Commission (ICRC) to invest its public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the road commission and complying with all state statutes governing the investment of public funds.

II. Scope:

- A. This investment policy applies to all financial assets of the ICRC.

III. Objectives:

- A. The primary objectives, in priority order, of the ICRC's investment activities shall be:
1. Safety—Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio
 2. Deposits and Investment Risk--deposits and investments shall have sufficient safety and diversity to assure that the road commission's exposure to credit risk and interest rate risk is low. Deposit and investment risk definitions are included later in this policy.
 3. Diversification--the investments will be diversified by security type and institution in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
 4. Liquidity--the investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. No investment shall be of a duration exceeding 24 months.
 5. Return on Investment--the investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

IV. Delegation:

- A. The Finance Director shall be designated as the Investment Officer by the ICRC Board to determine the amounts to be invested and by investment types. The Investment Officer will have primary responsibility for the implementation of this policy. Approval will be obtained from the Board of the investment transactions, by vouchers being presented at the Audit Committee portion of the monthly meeting.
- B. On an annual basis, the Board shall approve a list of financial institutions as depositories of road commission funds.

V. Authorized Investments:

- A. The investment of surplus funds shall be as follows from MCL 129.91 Section 1:
1. In bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
 2. In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution.
 3. In commercial paper rated at the time of purchase within the two (2) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.
 4. In United States government or federal agency obligation repurchase agreements consisting of bonds, securities, and other obligations of the United States.
 5. In bankers' acceptances of United States banks.
 6. In obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one (1) standard rating service.

VI. Safekeeping and Custody

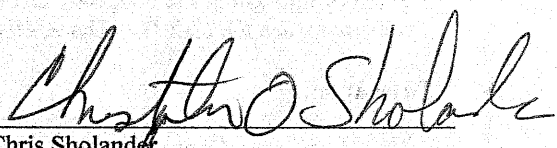
- A. It shall be the responsibility of the Investment Officer to determine which securities will be held by a third-party custodian. Securities held in safekeeping by a third-party custodian shall be evidenced by a safekeeping receipt.


VII. Prudence

- A. The standard of prudence to be used by the Investment Officer shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligent exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived

VIII. Reporting

- A. The investment officer shall produce an annual report for the ICRC Board which provides a clear picture of the status and types of investments of the current investment portfolio. This report shall be prepared in a manner which will allow the Road Commission to ascertain whether investment activity during the reporting period conformed to the Investment Policy.


Chris Sholander
Chairman


Douglas C. Tomasko, P.E.
Superintendent/Manager