

GENESEE COUNTY ROAD COMMISSION

SPECIAL BOARD MEETING

August 09, 2022

MINUTES

CALL TO ORDER

Chairperson Elkins called the meeting of the Genesee County Board of Road Commissioners to order at 10:04 a.m. The meeting was held in the Board Room of the Genesee County Road Commission, 211 W. Oakley, Flint, Michigan 48503-3995.

ROLL CALL

Present: Timothy Elkins, Chairperson
Cathy Lane, Vice Chairperson
David Arceo, Commissioner
John Mandelaris, Commissioner
Cloyce Dickerson, Commissioner

Others Present: Fred Peivandi, Eric Johnston, Randy Dellaposta, Anthony Branch, Donna Poplar, Tracy Khan, Genesee County Road Commission Staff, Linda Kossak, Secretary of the Board of Road Commissioners

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chairperson Elkins

APPROVAL OF AGENDA

August 09, 2022 – Agenda

Chairperson Elkins stated that there is an amendment to the agenda. VII. A. Discussion Item 1. – Issuance of a Purchase order to Wirt Saginaw Stone Dock for 29A Limestone.

ACTION TAKEN – Motion by Ms. Lane, seconded by Mr. Mandelaris, to approve the August 02, 2022 agenda as amended with the addition of VII. A. Discussion Item 1. – Issuance of a Purchase order to Wirt Saginaw Stone Dock for 29A Limestone.

VOTE ON MOTION

Yes: Arceo, Dickerson, Mandelaris, Elkins, Lane
No: None.

MOTION CARRIED.

MEETINGS, PRESENTATIONS, HEARINGS, AND INFORMATION

Tuesday, August 09, 2022

Closed session to discuss the Managing Director's Evaluation Review (to be held before the Commissioner's Budget Workshop begins) – Pursuant to MCL 15.268 (1) (a).

Tuesday, August 16, 2022

9:00 a.m. – Roads & Bridges Advisory Committee Meeting
10:00 a.m. - Board Meeting
10:05 a.m. – SDL Connect Resident Complaint Presentation

PUBLIC ADDRESS THE BOARD

None

BOARD OF ROAD COMMISSIONERS' DECISIONS

DISCUSSION

Issuance of a Purchase Order to Wirt Saginaw Stone Dock for 29A Limestone – In a memorandum dated August 08, 2022, staff requested the board approve the issuance of a Purchase Order to Wirt Saginaw Stone Dock for 29A Limestone. (Copy filed with official minutes.)

Staff stated that this material is needed to finish the current projects for this fiscal year and Stoneco is unable to get the material here on time. Chairperson Elkins requested that in the future, could staff indicate on the memorandum what has already been paid out on the Blanket Purchase Order.

ACTION TAKEN – Motion by Mr. Dickerson, seconded by Mr. Arceo, to approve the issuance of a Purchase Order to Wirt Saginaw Stone Dock for 29A Limestone to be ordered on an as needed basis in an amount of \$152,000. The Board previously approved the issuance of a Blanket Purchase Order to Stoneco of Michigan but they are unable to deliver the material for six weeks.

VOTE ON MOTION

Yes: Arceo, Dickerson, Mandelaris, Elkins, Lane
No: None

MOTION CARRIED.

Chairperson Elkins asked for a motion to go into closed session to discuss the Managing Director's Evaluation Review.

ACTION TAKEN – Motion by Ms. Lane, seconded by Mr. Mandelaris, to go into closed session to discuss the Managing Director's evaluation review Pursuant to MCL 15.268 (1) (a).

VOTE ON MOTION

Yes: Lane, Arceo, Mandelaris, Dickerson, Elkins

No: None

At 10:15 a.m. the board entered into closed session.

At 10:41 a.m. the Board reconvened into open session.

Fiscal Year Ending September 30, 2023 Commissioner's Budget Workshop

A copy of the proposed Budget for the fiscal year ending September 30, 2023, was distributed to the Board and staff members for their review. (Copy filed with official minutes.)

Managing Director Fred Peivandi started the meeting with an overview of the proposed fiscal year ending September 30, 2023 budget highlights:

- We expect to receive in fiscal year 2023 MTF revenue totaling \$40.9 million. The MTF revenue is estimated to increase by \$1.4 million or 3.6% based on projections provided by MDOT, the total budgeted revenue for the fiscal year 2023 is expected to increase by \$2.2 million of 5.8% from the previous year's budget.
- Federal grant revenue is expected to increase by \$8.6 million dollars.
- The proposed budget reflects the reorganization plan adopted by the board.
- We will re-allocate \$2 million dollars in additional contribution from OPEB to the defined benefit pension trust for unfunded liability and finance will create a revenue line item to account for reimbursement for an estimated \$2.6 million dollars in retiree health care expenses to be drawn from the OPEB account.
- The proposed budget reflects estimated rate increases per CBA's as well as a 3% rate increase for salary at-will and exempt employees.
- Dedicated \$2,520,000 million dollars of allocation funds to local roads improvements (Department 91) for township matching funds.
- Increased our funding of SAD (Special Assessment District) projects to include \$500k dollars of matching allocation funds towards the construction costs of those projects.
- Added a Traffic Engineering position in Department 15.
- Added \$660,000 of funds to cover the first year of debt service for the bond related to our new Metro district garage facility, Genesee Township we are going to build in 2023.
- Proposing to use fund balance in the amount of \$3,071,286.00 to meet the budget objective and balance the budget for the fiscal year 2022-2023.

Ms. Khan gave a PowerPoint presentation to the Board highlighting some historical as well as present projections of revenues and expenditures including:

- Michigan Transportation Funding History projected for 2009 thru 2024.
- Estimated distribution schedule for MTF by County for Fiscal years' 2022, 2023 and 2024
- Budgeted MTF Revenues for 2022 versus 2023 (increase of 5.8%)
- Sources of Budgeted MTF Funding
 - Fuel Tax & Vehicle Registrations \$18,039,810 or 45%
 - Income Tax Allocation \$19,924,564 or 50%
 - Marijuana Tax allocation increased by 17% or approx... \$2,035,626 or 5%
- Summary of Road Projects – Department 91 Expenditures & Funding
- Comparative Revenue – 3 year
- Comparative Expenses – 3 year
- Expenditures – Non Department Expenses (Dept. 90)
- Additional Charts, Graphs and Information
- Comparative Salary Report (including number of employees)
- Health Insurance Cost History
- Proposed use of Fund Balance in fiscal year 2023
- Fund Balance History 2005 to present
- Historical OPEB and Defined Benefit Pension Funded Ratios
- GCRC Actuarial Valuation Active Participants Schedule Years of Service

Director Khan said that due to the reorganization, some departments would have an increase in their labor costs due to departmental transfer of employees such as Department 15 receiving nine employees from Department 20. (Maintenance Department Sign Shop employees)

Each Department Director gave an overview of their departmental budget for fiscal year 2022-2023:

Commissioners - Department 10

Finance Director Khan commented that Department 10 remained the same with the exception of travel and training. We increased travel by \$500 and that was the only change.

Engineering Department – Department 15

Engineering Director Eric Johnston gave an overview of Department 15 – Engineering:

- Due to departmental transfers from the reorganizational plan, nine people will transfer from Department 20 to Department 15 plus one seasonal intern.
- We will be hiring a Traffic Engineering Manager and keep the current Traffic Engineer too. The Traffic Engineering Manager will oversee the permit department and the sign shop staff as well as oversee traffic engineering.

- Overtime increase of 40% due to staff being moved from Department 20 to Department 15.
- Slight decrease in office supplies.
- A 12% increase in dues and subscriptions; the majority is software subscription increases.
- EGLE permits increased from \$1,000 to \$2,000 permits for non-hazardous materials when we do a bridge project. We have three bridge projects next year.
- No change in Printing and Binding.
- Contracted services increased due to bridge inspections – Miss Dig fees increased by \$3,100 to a total of \$12,000.
- Arc GIS Aerial Fee to Genesee County Treasurer – Aerial Photography this had been in capital outlay and was moved to contracted services which is \$7,000.
- Equipment Rental increased \$275,000 due to transfer of staff from Department 20 to 15 and all the equipment that comes with it.
- Travel and training remained the same.
- Other Expenses remained the same.
- 75% decrease in total capital outlay due to the change from capital outlay to contracted services – (ARC GIS Aerial Fee).

Overall Engineering had a 17% increase mainly due to departmental moves.

Maintenance Department – Department 20

- Department 20 increase of 1% overall due to contract increases (salaries/labor).
- Overtime 3% increase to keep up with increase in salaries.
- Office supplies remained the same.
- Printing and Binding remained the same.
- Contracted services – 4% increase driven by fuel, oil costs and contractors increasing costs.
- Materials increased by 5% due to increased costs in purchasing due to fuel, oil etc.
- Overall Maintenance.
- Equipment Rental increased by 1%.
- Travel & Training 24% increase due to additional training for the Supervisors.

Overall Maintenance - Department 20 had a budget increase of 4%.

Fleet Maintenance & Facilities Department – Department 30

Mr. Dellaposta introduced Ms. Kendra Love–Brezzell to the Board members. She will be attending the budget workshop today. Mr. Dellaposta gave an overview of the Fleet Maintenance & Equipment Department budget:

- Communications Coordinator and Deputy Managing Director have moved out of Department 30 – Fleet Maintenance & Facilities and into Department 81 – Administration
- The Fleet Maintenance & Facilities Manager is being promoted to Director
- Overtime has stayed the same at \$110,000
- General Supplies up 25%
- Dues and Subscriptions are down by 40% due to transfer of personnel
- Printing and Binding decreased 33%
- Contracted Services is up 15% due to price increases
- Materials had an increase of 14% mainly due to gasoline and diesel costs going up.
- Building and Grounds 7% increase due to price increases
- Travel and Training decreased by 10%
- Capital Outlay is down partially due to the proposed Metro Garage project \$660,000 bond payment, we cut some items off Capital Outlay but we are still on par with our life cycle. This year we have in the budget, four snowplow trucks and two John Deere Boom Tractors, two Flail Mowers, and one Swap Loader Anti-Ice unit for the Linden garage. This will finalize every garage having an anti-icer skid in their fleet. We are also look at a mowing truck and 10 pick-ups primarily because we had five budgeted this year but with the microchip processor issue, we were unable to receive any pick-up trucks this year. Therefore, we are behind in pick-up trucks, five from 2021/2022 and five for the 2022/2023 fiscal year.

Overall Fleet Maintenance & Equipment had a 14% decrease in their budget primarily because of personnel transfers and the addition of \$1 million dollars they received in Fund Balance this year.

Commissioner Lane asked how many individuals will be working under Fleet Maintenance & Equipment Director Love-Brezzell. Mr. Dellaposta answered that 23 employees will be reporting to Director Love-Brezzell in the 2023 budget.

Human Resources & Finance – Department 70 – Director Khan stated there are only three line items that are increasing this year in the Department 70 budget. Human Resources and Finance are now consolidated in one department. Contracted Services, Travel and Training and Health Services. These are mainly Human Resource directed. Ms. Poplar stated that her only change to the budget is the time stamp machine, which does fall under the Human Resource Department not the Fleet Maintenance & Equipment Department.

Salaries/Labor – In combining the departments together, there was an increase due to employees currently in the step program as well as contract increases. In addition, we eliminated the Administrative Assistant in Human Resources because that individual was promoted to Benefits Coordinator.

- We will be conducting a wage analysis, which caused an increase in contracted services.
- Health Services also increased by 14%.
- With the implementation of the ADP program, this resulted in a large increase in our computer services.
- Training has a 36% increase due to the Diversity, Equity and Inclusion Training. Donna Poplar added that normally every year we have diversity training for employees. This year we will be conducting Diversity, Equity & Inclusion training that is all-inclusive.

Commissioner Dickerson stated that in 2019, the Board approved an Administrative Assistant for the Human Resource Director due to her disability. Commissioner Dickerson asked why that position was removed from the budget.

Director Khan stated that with the combining of Human Resources and Finance, one of the Senior Accountants has the position of Senior Accountant/Administrative Assistant and she will be able to fill that position. Commissioner Dickerson stated that Ms. Poplar still has those disabilities why would we take a person away from that department when they are still needed in that capacity. Shouldn't that decision [to eliminate that position] be brought before the Board?

Mr. Dellaposta stated that this is why we have a workshop to discuss these issues.

Ms. Poplar asked if she is able to speak without reprisals from the Managing Director and Deputy Managing Director. Mr. Dellaposta stated she could speak without reprisals.

Ms. Poplar stated that the concern she has is that this is a serious matter; she suffers from severe glaucoma, and is legally blind in the right eye. She stated she has been dealing with this issue of an Administrative Assistant since 2017. The Board approved this position in 2019. When she compares the two job descriptions for Benefits Coordinator versus the Administrative Assistant. The Assistant job description clearly states they would be assisting the HR Director with computer work, reading, research, PowerPoint and other related duties. Under the job description for the Benefits Coordinator, you do not see any of that language in the job description it only states clerical and secretarial work. Ms. Poplar said her medical team says she needs assistance and she is extremely frustrated that no one seems to care about her medical condition. The Benefits Coordinator, Ms. Pearson stated that she is unable to assist her in her new position because her current position requires her to work 10 hours a day as the Benefits Coordinator and working overtime takes away from her personal time. The GCRC attorney at the time stated that she met the qualifications for assistance in her job under the American with Disabilities Act (ADA). She does not think anyone should be subjected to the lack of help she is receiving.

Vice Chairperson Lane and Commissioner Dickerson thanked Ms. Poplar for this information.

Finance Director Tracy Khan stated that overall the Finance and Human Resource Department – Department 70 had an overall increase of 8%.

Administration – Department 81

Deputy Managing Director Randy Dellaposta said there were significant changes made in Department 81 – Administration resulting in an increase of 5% in Salaries/Labor.

- Operations Director and Communications Coordinator moved from Fleet Maintenance & Equipment – Dept. 30 to Administration – Department 81.
- Safety Coordinator and Office Clerk moved from Human Resources to Administration Department.
- Decrease in Computer Systems/IT labor due to retirement.
- Printing and binding has increased \$900 due to the Communications Coordinator transfer
- Contracted Services increased due to leadership training and Resident Complaint system implementation by \$32,500.
- Materials increased by 30% due to Safety Department transfer into Administration
- Travel and Training increased 11% due to transfer of personnel
- Capital Outlay increased 14% due to the IT Department Computer Equipment

Overall, there is an 11% increase in the Administration Department

Department 90 – Non Departmental

- Lump Sum payout increased due to collective bargaining wage increases
- Retiree Health Insurance increased 1%
- Employee Health Care increased by 5%
- MERS increased due to new employees – they no longer qualify for retiree healthcare
- Made changes to the telephone and security lines which reduced utilities by 3%
- Insurance increased by 4%

Overall increase of 8% for Non-Departmental – Department 90

Department 91 – Construction

Engineering Director Eric Johnston gave an overview of Construction – Department 91

In 2022, the Road Commission received \$15.8 million dollars in federal/state funding for projects and in 2023, we will be receiving approximately \$25.8 million dollars, which is a \$9.9 million dollar increase in funding. The Road Commission participates approximately 20% in funding to these projects, which equals about \$2 million dollars. Because of this

participation increase, we had to cut back on some other areas:

- Primary Road funding in 2022 was \$4.6 million and in 2023 is down to \$3.0 million
- Two bridges we wanted to replace were taken out of the budget
- We cut micro-surfacing from the budget
- Cut the money from primary roads and primary road drainage
- Crack sealing was cut
- Local Roads in 2022 \$10.5 million was allocated and in 2023 \$15 million was allocated but the majority is carryover SAD projects which typically get carried over from this year to next year.

Mr. Johnston added that next week at the Roads & Bridges Advisory Committee Meeting, we would be discussing additional participation from the Road Commission for Special Assessment Districts (SAD) up to \$500,000 for the year and we do have that budgeted in this budget.

Vice Chairperson Lane thanked staff for all of their efforts, hard work and participation regarding the budget and said she is pleased to see that we are improving the district garages and increasing training because we do value the employees.

Ms. Lane also asked if there is any way we can provide the townships with more information regarding the budget. Ms. Khan stated that as the Finance Director she could not do that without authorization from the Board because this workshop is informational only. However, Ms. Khan did say that the Managing Director has spoken to the townships about the proposed extra funding in regards to SAD increases at previous meetings. Mr. Johnston added that we typically share the projects with the townships in the fall because we have actual numbers rather than estimates.

Mr. Peivandi stated that after the Board adopts the budget we would share more information with the townships. However, Mr. Peivandi stated that the budget would be available for public viewing on August 22, 2022 in the Board Room and on our website.

MANAGING DIRECTOR REPORT

None

COMMISSIONER'S CONCERNS

Human Resource Administrative Assistant - Commissioner Lane stated that Ms. Poplar did raise some valid concerns and she would like to be kept informed on how this matter can best be resolved. This is not just about Ms. Poplar; it is about every individual employee at the Road Commission.

Commissioner Dickerson added when Ms. Poplar first asked for an Administrative Assistant he was against it. However, when he finally realized that she needed help because of her disability he was all for it. Mr. Dickerson added that when Benefits Coordinator, Cherry Grant

retired, we should have replaced the Human Resource Administrative Assistant right away, because Ms. Pearson, as the new Benefits Coordinator is unable to do both jobs.

ADJOURNMENT

Chairperson Elkins, without objection, adjourned the meeting at 1:09 p.m.

JOHN J. GLEASON
Clerk/Register

Linda B. Kossak, Secretary of the
Board of County Road Commissioners
/lbk 08/09/22