

The Public Meeting of the Board of County Road Commission of the County of Calhoun was held on **December 22, 2005** at 1:00 p.m. in the office located at 13300 Fifteen Mile Road, Marshall, Michigan.

Present: Commissioner Chester E. Travis, Chairperson
Commissioner David D. Veramay, Vice-Chairperson
Commissioner Charles E. Monaweck
Dennis A. Randolph, Managing Director
Joanna I. Johnson, Assistant Managing Director
Pixie Coats, Human Resources Manager

Also Present: Mr. Bob Brownell, Marengo Township Supervisor
Mr. Larry Spoor, Burlington Township Supervisor
Mr. John Nieterer, Leroy Township Supervisor
Mr. Steve Irons, Athens Township Supervisor
Mr. Mike Heisler, Clarence Township Resident
Mr. Elmer Heisler, Clarence Township Resident
Mr. Pete Shrontz, Marengo Township Trustee
Mr. Ron Tesch, Clarendon Township Resident
Mr. Lynn Smith, Convis Township Resident
Mr. Bill Piepkow, Lee Township Resident
Mr. John Deitz, Fredonia Township Resident
Mr. Larry Crandall, Bedford Township Resident
Mr. Melvin Boughton, Fredonia Township Resident
Mr. Jeff Johnson, Marshall Township Resident
Mr. Jim Coats, Marshall Township Resident
Mr. Jerry Voyce, Leroy Township Resident
Mr. Philip Miller, Eckford Township Resident
Mr. Doug Myers, Fredonia Township Resident
Mr. Hershel Stacy, Calhoun County Road Commission
Mr. Jim Russell, Calhoun County Road Commission
Mr. Steve Ball, Calhoun County Road Commission
Mr. Robert Volkmer, Calhoun County Road Commission
Mr. Paul Adams, Calhoun County Road Commission
Mr. Paul Beardslee, General Counsel
Mr. Doug Callander, Labor Attorney

Chairperson Chester Travis opened the public meeting at 1:00 p.m.

Commissioner Travis stated the following:

This Public Meeting is regarding the employment agreements for the Managing Director, Assistant Managing Director and the Human Resource Director.

Commissioner Monaweck stated that he is the one who called the meeting so he will start the discussion.

Being a new member on the Board he stated that he certainly wasn't familiar with how contracts or agreements were awarded here. Earlier in the year he did ask some questions

and the answers dumbfounded him, but not knowing how this was done, he let it go. Then when he received his Board packets with the agreements in it, he had to read them over a couple times. Then drawing from his own experience of employment, he stated that he was not trying to be smart, but if he could have had an agreement like this, he would still be working at Michigan Bell. How these came about is not something he is not blaming anybody for or questioning anybody. He just thinks this agreement is, for the lack of anything better to say, one sided. Commissioner Monaweck stated that he gets the feeling by reading it that the Board has very little input into it. It is an agreement that guarantees employment at the Road Commission because it goes on and on and on. One clause in it says we are to evaluate our Managing Director. The way he understood it, this has never happened. So his question to himself was, how can we extend out wages and fringes if we have nothing to base it on? With his experience, accountability was the greatest thing that he had to put up with as employee of Michigan Bell, not only management but from craft people as well. He was expected to set performance standards for himself and his manager would set performance standards. Then they would meet twice a year and at the end of the year, he either had extra money coming or stayed status quo. If he didn't meet their standards then he lost money. This put him on board to try to be very efficient and on top of my job. He saw things in the agreements that bother him. He felt that the Boards hands were tied when it comes to terminating the services of the Managing Director. It can be done but it takes quite a long time and they would put out a lot of money to do it. Commissioner Monaweck stated that on the other hand, those people can give us 45 days notice and they can go to other employment. Just that alone ties the Boards hands. Commissioner Monaweck has never in his years of experience come across anything like this contract. He didn't know how the Board can project raises and increases when they have been told by Mr. Randolph on charts that the Road Commission's income is limited and it is going down. In the years to come we could be worse off than we are today. We never expected three dollars a gallon for fuel, but we got it. This is what ties the Boards hands and they shouldn't be tied. We should be able to discuss our pros and cons and then come to a meeting of the minds and hopefully everyone would walk away half way agreeable so that we can still continue to work together. These are just a few of things that have bothered him and why he took the action that he did. He feels that he is justified with concerns over the four-year rolling contract because of the following reasons.

- A concern regarding payouts in the event of terminating the contracts, which he alluded to.
- A concern with regards to muzzling the Board in the event of termination for cause.
- A concern regarding the lack of formal and written evaluations of the Managing Director.
- A concern regarding the size of salary increases given the current fiscal constraints.
- A concern that the contract has not adequately been reviewed in some time. (This is the feeling he gets but doesn't know if this is fact or not.)
- Because the current contracts run through 2008, there is no need to renew it now.
- A desire for more of a conventional contract with specifics.
- Road Commission counsel should review the contracts with input from the Board and not just from the Managing Director.

Commissioner Monaweck stated that these are just his personal feeling from reading the agreements.

Commissioner Travis made a motion that the Chairman be designated with the labor attorney and the Managing Director, Assistant Managing Director and the Human Resource Director to review their contracts and make recommendations to the Board about extensions and modifications or approvals at the first meeting in March. Moved by Commissioner Veramay. Supported by Commissioner Travis. Voice vote: Motion carried with two supporting votes

Commissioner Travis asked the other Commissioners for written recommendations on the agreements from each of them before meeting with the employees.

Mr. Callander made a point of order that the Board should acknowledge and discuss here their individual contracts to the parties because they have a contractual right for the Boards decision before January 1, 2006. Each employee has to agree to the extension individually.

Commissioner Travis asked the Human Resource Director if she would have a problem with the extension. The Human Resource Director said she would agree to the extension.

Commissioner Travis asked the Assistant Managing Director if she would accept the extension. The Assistant Managing Director said she would agree to meet with the Chairman and the labor counsel regarding the negotiation and review of the contract. Mrs. Johnson verified the motion by asking if the negotiations will be carried out prior to March 1, 2006. Commissioner Travis said yes.

Mr. Callander clarified that the Board will extend the deadline of the agreements from January 1, 2006 to March 1, 2006. Commissioner Travis said yes.

Commissioner Travis asked the Managing Director if he would accept the extension. The Managing Director said he would agree to the extension.

Commissioner Travis said that the reason he suggested the Chairman only was because if they had more than one Commissioner then it would have to be an open meeting.

Mr. Callander stated for public record, Mr. Chairman you need to know that their raises that were previously negotiated in the contracts will still go into effect January 1, 2006. Mrs. Johnson said that actually they go into effect December 19, 2005 because it is the first payroll of the new year.

Commissioner Veramay stated that he wasn't concerned about these contracts. It is written in the contract that there is an out for both sides. As far as the raises go, we just finished a five-year contract that should be renewed pretty soon, with our employees. Money with the Road Commission is always going to be a problem. We will need to work around that. As far as evaluations go, no, we haven't had a formal evaluation with our Director but if that's what Commissioner Monaweck wants then we can work something through on that. If Commissioner Veramay has something to say to the Director, he goes right to his office and discusses those things. Everyone has their strong and weak point and we try to work through those. Most of you in the audience don't know how much money the Road Commission has gotten through Dennis's efforts. He has probably brought into this County more money from Federal and State grants than whatever he is being paid in salary. On two separate occasions the Board tried to give Dennis a greater raise than what was in his contract, but he wouldn't take it. Why he didn't take it is something you will have to ask him. He must have felt that he was being adequately compensated. Commissioner Veramay doesn't have a problem with the contracts, but if there are some things that need to be tweaked in the contracts then that is fine. It will be between the Chairman, the attorney and the employee. The fact is the Board just hired a Finance

Director and that wasn't an issue here under the same contracts. The Chairman has made a motion and it has been passed. Commissioner Veramay stated that he will certainly give his input into the contracts and we will go on from there.

Commissioner Travis stated that he had a form for the other Commissioner's to fill out to evaluate the Managing Director.

Dennis said that when you look back into history, he had only taken two vacations with five consecutive days. Since 1992 he has process over twenty six million dollars in Federal and State grants. I do not receive comp time, overtime, or any other compensation for evening and weekend work. I do not have a bonus clause or a take home vehicle purchased by the Road Commission. Mr. Randolph stated that he elected to have a vehicle allowance. During his first four years of employment at the Road Commission, he did not have a contract. The Board strongly requested that he have a one. Darrell Jacobs who was the Boards labor attorney at the time prepared the contract.

Paul Beardslee reminded the Board that the Open Meetings Act requires that the public be allowed to make comments, but the Board does not have to respond.

Commissioner Travis asked for comments from the audience.

Mr. Mike Heisler from Clarence Township asked if someone was in the Finance Director position prior to this or if this was a new hire? Commissioner Travis stated that it was due to a retirement. Mr. Heisler verified that it was a filling a position that was already in existence. Commissioner Travis answered yes. Mr. Heisler then asked if he could get a breakdown of the 26 million that Mr. Randolph has brought into the County in grants and where those funds went to throughout the County? Mr. Randolph stated that he could show him a chart after the meeting.

Mr. John Dietz from Fredonia Township commented his concerns with the rolling contract. He felt it may not be in the best interest of the Boards or someone who replaces a Board member and it ties the Boards hands. He stated that he didn't have problems with a 3, 4, or 5-year contract but a rolling contract is a little different. Mr. Dietz suggested that when the Board is negotiating the contracts, he requests that they keep that in mind. He feels that it doesn't give the Board leverage to change the direction of the Road Commission in the way they may want it to go in the future.

Mr. Lynn Smith from Convis Township stated that he feels the roads are getting worse in the County and the Counties around us are getting better. One thing Mr. Smith would like to see in the contracts is more improvements to the conditions of the roads because you have no accountability for the road and they are only getting worse. Mr. Smith stated that the roads were the laughing stock of everybody that comes into Calhoun County. Mr. Smith said that before we extend the contract there should be some marked improvement in the roads.

Mr. Hagelshaw, from Burlington Township stated that we definitely needed to do something with the roads. You as Commissioners need to start listening to the people. You're going to hear a lot more noise down the road because of the road conditions.

Mr. Bill Piepkow from Lee Township stated that he agrees with what has been said and that something needs to be done with the roads. Mr. Piepkow stated that he didn't have a problem with the rolling contract but he thinks everyone needs to be evaluated.

Commissioner Veramay stated that we hired Mr. Randolph to work for us and everyone else in the organization works for Mr. Randolph. We are not here to micro manage any employee in this place. I will sit down in Mr. Randolph's office and we will discuss a lot of things. We don't always agree on everything. Maybe we should hand out a list of townships that contribute to the roads. Every County has a special millage because they can't keep their roads up on what they get from gas and weight taxes. We only have one township, Albion Township that has a millage that they designated for road. No other township contributes any money. That could be why you don't see improvements on your roads.

Commissioner Travis stated the MDOT, with the help of our people and some others, classified all of our roads in the County. We should have some reports soon that will show how the roads compare to our roads years ago.

Mr. Elmer Heisler from Clarence Township stated that in his opinion the roads are gradually getting worse. We aren't maintaining the roads the way they should be maintained. I went to the Township and talked to them. Mr. Heisler feels that the Township needs to work with the County to improve to roads.

Commissioner Veramay stated that Michigan has the heaviest load limit of any State in the United States. We don't build roads to carry eighty ton of goods. This is part of the problem until they start changing the rules a bit, the roads will continue to take a beating. Commissioner Veramay stated that many townships dedicate a mill or more to Libraries. Commissioner Veramay doesn't have anything against Libraries but how many dedicate a mill to roads. Albion library came to Clarence Township and asked if they could put a mill on the ballot for the Library. When asked how many Clarence Township resident have Library cards, at first they wouldn't tell him but when he looked at the books, they had five people that carried cards. Everyone has priorities.

Mr. Ron Tesch from Clarendon Township stated that he didn't know anything about the contracts but he does know that someone needs to be held accountable for what is going on with the roads. Mr. Tesch stated that the axle weight doesn't go up when you go to eighty ton the axle weight goes down. There is less weight per square inch on eleven axles than there is on five. Mr. Tesch said that he pays over five thousand a year per truck for federal highway and use tax, which ninety percent of my miles are run in Michigan and your money comes from what I pay. Big trucks are not tearing up the roads, its little cars with little tires that hit holes. It's hydraulic pressure.

Mr. Jerry Voyce from Leroy Township stated that he has never seen Commissioner Travis or Commission Veramay in his life until today. Leroy Township used to have more money than they knew what to do with but they don't have those funds anymore. They have turned the roads over to the County to maintain. Mr. Voyce stated that he lives on 5 Mile Road and the corner of K Drive and has only had his road plowed two times since Thanksgiving. Mr. Voyce stated that the new road that was just built on H Drive is breaking up already and part of it hasn't been there three years.

Mr. Melvin Boughton, the president of Farm Bureau stated that he had no problem with the 3 or 5-year contracts. Mr. Boughton stated that he did not want to see the 2009 contract ratified for Mr. Randolph. Since there is three years already in place, then during that time the Board should get together and work out a working contract in 2008.

Mr. Jim Russell, Calhoun County Superintendent stated that he had worked for the Calhoun County Road Commission for thirty seven years and understands that we don't do everything perfect but we learn from

our mistakes. Mr. Russell stated that before Mr. Randolph came we didn't touch the roads for two years and that can do a lot of damage. This has not happened since Mr. Randolph has been here.

John Nieterer, Leroy Township Supervisor stated that they have given twenty-five to thirty thousand a year to the County for roads. Leroy Township gives about 1/3 of their revenues to the county for roads and they don't feel they are getting a lot in return for it. The roads are still in bad shape.

Mr. Steve Irons stated Athens Township stopped spending any money on the roads because they felt that the roads were not holding up. He feels that the reason everyone came today was because they want someone to be held accountable for the money they are spending and the lack of anything getting done. Someone needs to evaluate what is going on even if a private company has to come in and do the evaluating.

Mr. Larry Spoor, Burlington Township Supervisor stated that when the roads were put in, the County said they would maintain them and they haven't done that. The Township doesn't feel they are getting the services they should be getting.

Mr. Steve Ball, Calhoun County Superintendent Assistant stated that he has worked for the Calhoun County Road Commission for the last eight years. The first two years as an employee he took the time to observe the operation. Then he stepped into management. He truly and wholeheartedly feels that in the last four years those three people in question up there have done more than what they were ever responsible for doing. They have put in more hours above and beyond any farmer probably puts in. I will voice my opinion and I don't hold back. If I don't agree them, I tell them know I don't agree. To sit here and go through what they are going through today is a shame. I think there is a personal agenda behind this and I'm just waiting to see it come through.

Commissioner Travis asked if anyone had any more comments to make.

Commissioner Veramay stated that he would like to end the meeting on a good note and say Merry Christmas to everyone. He stated that we all here want the same thing and we can all try to do better.

There being no public comments, Chairperson Travis adjourned the public meeting at 1:55p.m.

Chester E. Travis, Chairperson

Pixie Coats, Deputy Clerk