



**Champaign County Board
Highway & Transportation Committee
County of Champaign, Urbana, Illinois**

MINUTES – Approved 06/03/2016

DATE: Friday, May 6, 2016
TIME: 9:00 a.m.
PLACE: Highway Building Conference Room
1605 East Main, Urbana, IL

Committee Members

Present: Lorraine Cowart (Chair), Lloyd Carter (Vice Chair), Shana Harrison, John Jay, Jim McGuire, Diane Michaels, Max Mitchell

Absent: Chris Alix

County Staff: Jeff Blue (County Engineer), Rick Snider (County Administrator), Linda Lane (Recording Secretary)

Others Present: Patti Petrie (County Board Chair), Gary Maxwell (Board member), Matt Phillips (Mack Trucks)

MINUTES

I. Call to Order

Committee Chair Cowart called the meeting to order at 9:02 a.m.

II. Roll Call

A verbal roll call was taken and a quorum was declared present.

III. Approval of Agenda/Addendum

MOTION by Ms. Michaels to approve the agenda; seconded by Mr. Jay. Upon vote, the **Motion Carried unanimously.**

Mr. Carter entered the meeting at 9:03 am.

IV. Approval of Minutes – April 8, 2016

MOTION by Mr. Jay to approve the minutes of the April 8, 2016 meeting; seconded by Ms. Harrison. Upon vote, the **Motion Carried unanimously.**

V. Public Participation

None

VI. Communications

None

VII. County & Township Motor Fuel Tax Claims – April 2016

MOTION by Mr. Carter to receive and place on file the County and Township Motor Fuel Tax Claims for April 2016; seconded by Ms. Harrison. Upon vote, the **Motion Carried unanimously.**

VIII. Resolution Awarding of Contract for Furnish and Mixed of Bituminous Material for Mahomet Various Roads #16-15000-00-GM

Mr. Blue handed out the resolution and said this bid for furnish and mix of bituminous material was opened May 5. He explained that this did not make it onto the large township letting and Illiana

Construction was the low bidder at \$710 per ton. He noted that bids used to be per gallon, but as of April 1 are per ton, so this averages out to about \$3 per gallon.

MOTION by Ms. Michaels to approve; seconded by Mr. McGuire. Mr. Maxwell asked how the price compares to the past and how many bidders there were. Mr. Blue said the prices are lower than last year and Illiana was the only bidder. Upon vote, the **Motion Carried unanimously.**

IX. Resolution Awarding of Contract for the 2016 Pavement Striping

Mr. Blue handed out the resolution and reported that several companies took a bid packet, but only Varsity Striping placed a bid. He noted that costs are at or below 2015 costs. He also noted that Varsity has worked very well for us in the past. Mr. Blue stated they haven't bid striping removal in the past, but did so this year. He explained that when they've done their seal coats in the past the oil doesn't stick to the stripe and are having trouble with the stripe coming back through on the center line. He said they plan to have the stripes removed before they do the seal coats.

Mr. Mitchell entered at 9:10 am.

MOTION by Mr. Jay to approve; seconded by Mr. McGuire. Ms. Michaels noted surprise that the bid is lower than last year. Mr. Blue thought it might be because more companies showed interest. Mr. Maxwell thought that Varsity is a minority owned business. Mr. Blue confirmed that it is. Upon vote, the **Motion Carried unanimously.**

X. Petition & Resolution for Champaign & Tolono Townships #15-03025-00-BR R

Mr. Blue stated this is for a bridge repair on the township line. He explained the old wooden back wall is failing and the road is starting to collapse behind the bridge. He noted the County will pay half of the \$80,000 total cost.

MOTION by Mr. Jay to approve; seconded by Mr. Carter. Upon vote, the **Motion Carried unanimously.**

XI. Petition & Resolution for Hensley Township #16-12037-00-BR

Mr. Blue said this bridge has scouring happening and needs riprap placement. He estimates the cost at \$8,400, half of which the County will pay.

MOTION by Ms. Michaels to approve; seconded by Mr. Jay. Ms. Michaels commented it seems they are replacing a lot of bridges every year and wanted to know if they were part of a normal schedule. Mr. Blue replied that these are minor repairs and come as needed. He stated that annual inspections are also causing some of them to be done. He said that some have been ongoing for a while and the townships finally have the funds to take care of them. Mr. Blue confirmed they normally do six to ten bridge replacements each year. He said with the number of bridges in the system, that is the number they need to do to keep up with the cycle between Township and County. Ms. Cowart wanted to know if because of the small amount the Township tried to get the County to pay 100% of the costs. Mr. Blue replied that by State statute the cost is split 50/50 between the County and Township. Upon vote, the **Motion Carried unanimously.**

XII. Petition & Resolution for Mahomet Township #16-15036-00-BR

Mr. Blue explained that they want to get rid of an awkward sweeping curve in the road, and replace the existing 8'x2-½' culvert with an 8'x4' box culvert. He said the estimated cost is \$50,000 and the petition is for 50% from the County.

MOTION by Mr. Jay to approve; seconded by Mr. Carter. Upon vote, the **Motion Carried unanimously.**

XIII. Petition & Resolution for Sidney Township #16-24038-00-BR

Mr. Blue noted this is a 2'x1½' box culvert that is to be replaced with a 4'x2' box culvert. He said the County will pay 50% of the \$10,000 estimated cost.

MOTION by Ms. Michaels to approve; seconded by Mr. Jay. Upon vote, the **Motion Carried unanimously.**

XIV. Truck Purchase Approval

Mr. Blue handed out several proposal options for the purchase of four new Mack Trucks. He noted that Matt Phillips from Mack is present to answer any questions. He said that since the new EPA emissions came out they've had to redo their truck engines to better emission control. Mr. Blue explained that the emissions correction that International came out with isn't working. He commented that International always had the State bids, so we always got the Internationals. He noted these trucks spend a lot of time in the shop. He said there isn't much cost now because they are under warranty, but they aren't on the road working. He said there doesn't seem to be a fix from International. Mr. Blue reminded everyone that the County purchased a Mack last year. He stated he asked Mack for lease-to-purchase options to replace all four International trucks and received 3-year, 4-year, and 5-year options. He noted that all of the stainless steel equipment purchased for the Internationals can be transferred to the Macks. Mr. Blue said that Mack was holding the bid price for our previous truck for a new 2017 model. He said Highway has a \$300,000 equipment budget every that they use to purchase one truck each year. He stated they are usually able to keep the trucks for 10 years with the stainless equipment. Mr. Blue referred to the 4-year fixed interest rate at 2.9% with the \$100,000 buyout on the four trucks at the end of the year. He said that is a steady flow out of the equipment budget with \$103,000 coming out now, \$103,000 per year on the next three payments, and \$100,000 to pay off at the end. Mr. Blue pointed out that the total cost of ownership per truck is \$128,200 on a \$121,600 truck. Mr. Blue stated they could limp along with the Internationals, but it costs \$750 for every tow, the truck sits in the shop for days, and once they get it back it's not very long before it happens again.

MOTION by Mr. Jay to approve; seconded by Mr. Carter. Mr. Jay commented that his experience with Mack has been very good, but they don't have the heavy use that the Townships and County do. He felt that four at once is a little hard, but thought it would be good to get rid of the Internationals. Mr. Blue noted that Mack has basically a five-year bumper-to-bumper warranty on these trucks.

Mr. McGuire asked the cost to fix the Internationals. Mr. Blue deferred to Mr. Phillips. **MOTION** by Ms. Michaels to suspend the rules to allow Mr. Phillips to speak; seconded by Jay. Upon vote, the **Motion Carried unanimously**. Mr. Phillips explained the EGR cooler is very sensitive and fails regularly, and the best-case scenario is about \$5,000 per failure. He said the worst-case would be it causes significant damage to the engine, which can be \$16,000-\$20,000 in repairs. Mr. Blue said they just had one that dumped the coolant into the engine. Mr. McGuire asked how many time per year they have issues. Mr. Blue replied at least a couple time per year per truck. He said that up to now, the repairs have been mostly warranty work, but they are out of warranty now or reaching the end of the warranty. Mr. McGuire asked how much the cost is per year for the four trucks. Mr. Blue responded \$103,000 for four years with a \$100,000 buyout at the end.

Ms. Michaels noted that several of the options have balloon payments. She asked if the financing would be through Mack. Mr. Blue answered it would. Ms. Michaels wondered if they should amortize it over the five years so they don't have a balloon payment at the end. Mr. Phillips said the balloon payment residual can be determined by the County and noted how they set the buyout will set the payments and interest over the term. Ms. Michaels said if they amortized truly over five years and paid more than minimum premium it would hit principal first and pay less interest. Mr. Phillips replied not in this case because it's a lease. Ms. Michaels asked if the County would own the trucks after the lease. Mr. Blue said if they pay the \$100,000 buyout the County would own them. He said he is proposing Option 2, liking the four-year payment with the five-year warranty.

Ms. Harrison commented that there are several class-action lawsuits against International and wondered if the County could get into any of those to recoup some losses. Mr. Blue replied they can try to get into those.

Mr. Mitchell asked if they could stagger to incrementally phase in. He also asked what the cost is for a 10-year warranty. Mr. Phillips said Mack won't go past five years, which is the industry standard. Mr. Mitchell asked about a third party warranty. Mr. Phillips suggested being very selective if they did that.

Mr. Mitchell thinks staggering is good so in on year there won't be a huge cash drain. Mr. Blue replied that is why he chose Option 2, which has equal payments. **MOTION** by Mr. McGuire to amend motion to accept Option 2; seconded by Ms. Michaels.

Mr. Maxwell asked if it would be better to go to a local bank for financing options and if it's tax-free interest. He said in California they need to be able to document idling time, wanted to know if that was coming to Illinois, and will they be able to add this feature to the trucks. Mr. Phillips said it could come to Illinois but that he hasn't heard it will be in the near future. He noted that engines in the Mack are clean certified and the emissions are so low they are an exception to the no idling rule. He said the trucks can be programmed for idling time. Mr. Snider said he didn't know if the County had GPS tracking on all the fleet. Mr. Blue replied it is on all their equipment. Mr. Snider wanted to know if they have connections to the OBD2 or engine computers. Mr. Blue answered yes. Mr. Snider said many of the systems now have the ability to monitor idle time. Mr. Blue said they can do that.

Discussion continued regarding financing and payment options. Mr. Mitchell suggested Mr. Blue look at trading one truck at seven years old, another at eight years old, etc. so they don't have to get four trucks at one time again. Mr. Blue agreed. Mr. Mitchell said Mr. Blue should pick his option and have two or three alternatives so the Board is looking at a lease purchase and two direct purchase financing options. Upon vote, the **Motion Carried unanimously. MOTION** by Ms. Michaels to further investigate financing and the purchase of the equipment from Mack for four trucks for \$486,396; seconded by Mr. Carter. Upon vote, the **Motion Carried.**

XV. Other Business

Mr. Blue gave a quick update on the Lincoln Avenue right-of-way. He said the County did everything they were supposed to, but there is one property with a very high mortgage and the City did not feel comfortable certifying the purchase of the right-of-way without getting partial releases from the mortgage company. He said because of that it won't be on the June IDOT letting. He pointed out that the MCORE project will be on the letting in July and felt it's not in the County's best interest to go up against that. He said likely they would bid it in the fall for beginning construction 2017. He felt the project could be completed in one construction season. Mr. Maxwell commented that it can be difficult to deal with farmer's mortgages when trying to get a partial release and said the mortgage should show up in the title. Mr. Blue said they have to do a title commitment right before they buy the property and these showed up in the title commitment.

Ms. Michaels asked for an update on Maplewood. Mr. Blue replied that they are working on it, and are on schedule for completion. He noted that there will be one owner who will not be happy with the placement of the driveway, but they have to put the guardrails on.

XVI. Chair's Report

Ms. Cowart reminded everyone that the next meeting is June 3, 2016 at 9:00 am.

XVII. Designation of Items to be Placed on Consent Agenda

Ms. Cowart stated that items VIII, IX, X, XI, XII, and XIII are to be placed on the consent agenda.

XVIII. Adjournment

MOTION to adjourn by Mr. Jay; seconded by Ms. Harrison. There being no further business, Ms. Cowart adjourned the meeting at 10:10 am.

***Please note the minutes reflect the order of the agenda and may not necessarily reflect the order of business conducted at the meeting.*