

Village of Lake Isabella
Village Council Minutes
Special Meeting – June 22, 2010

1010 Clubhouse Drive
Lake Isabella, MI, 48893

The Meeting was called to order at 4:00 PM by Village President Dave Torgerson and the pledge of allegiance was recited.

Members Present: Grey, Lacca, Kiel, Griffin, Miller, Pattison and Torgerson

Members Absent: None

Public Comments

- None

Business

1. 2010-2011 Plowing Contract

The Council reviewed the bids submitted. The Village received 13 submissions from 7 different firms. The following firms submitted bids; Central Asphalt/Fisher Transportation, Malley Construction, Hardcrete Inc., Ritter Snow Plowing, Barryton Excavating, and Bolle Construction. Based on past seasons the Village extrapolated the results of the submissions to determine the projected costs of each, the results are attached.

There was lengthy discussion over the submissions. Wolff presented the bids to the Council and extrapolated the data to show how bid results in dollars based on our lowest, average, and highest snow removal seasons.

The Council discussed whether or not it would be financially more prudent to purchase equipment and contract labor out, or to purchase equipment and employ labor “in-house.” There was discussion over the equipment that would be needed to begin plowing. The consensus of the Council was that the Village’s current small tractor/loader would need to be upgraded in size, at least one truck with a belly scraper/blade and spreader would be needed, and also one additional larger truck. Based prices obtained from talking to dealers and others familiar with these equipment items Wolff estimated that the low-end amount to acquire the equipment would be between \$40,000 to \$60,000.

Wolff stated that bigger issue, and one he does not recommend to the Council, is the Village taking on employees for labor. The Council agreed that adding staff would be the last option at this time.

After further discussion, a motion was made by Kiel, seconded by Griffin, to pursue an agreement with Malley Construction. VOICE VOTE; MOTION CARRIED UNANIMOUSLY (7-0-0).

2. Purchase Option Agreement 201 S. Coldwater Road

The Council discussed purchasing the property currently owned by Mt. Pleasant Excavating. There was discussion over the long-term use of the property by the Village, means of utilizing the property, selling a portion of the property, and the need to house street operations from the building due its proximity to the Village’s salt storage facility. The Council discussed means of informing the community about the plan to use the

property, and that it would not result in an increase in taxes. Wolff suggested that a newsletter be published which spells out what the plan is, why the Village feels purchasing the property is in the best interest of the community, and what the Village has spent on winter operations in the past.

There was discussion regarding what the future plans of the current owner are with the property. Wolff stated that he believes the current owner is willing to let the property go back to the mortgage holder. He has spoken to the mortgage holder on the property and they were unwilling to offer a short-sale, and have indicated that they would look to sell the property for more than what the option agreement has been negotiated for.

Grey questioned why the price increases each month until the agreement is closed. Miller stated that she wants to be clear that the Village is moving forward with the purchase as it is in our best interest, and not simply to help out the current owner.

A motion was made by Pattison, seconded by Kiel, to approve the purchase option agreement for 201 S. Coldwater Road.

3. Resolution 2010-14: Intent to Finance

Action on this resolution was postponed until the next meeting as the draft had been finalized by the Village's attorney.

4. June 24th Equipment Auction

Based on the bid submissions, the Council directed the Manager not to attend the equipment auction on June 24th to acquire equipment used by Mt. Pleasant Excavating.

5. Final 2009-2010 Budget Amendments

Wolff presented the final account totals for the 2009-2010 line item budget. The Council reviewed the line item amounts and discussed a few minor changes from the totals adopted at the last meeting.

A motion was made by Kiel, seconded by Miller, to adopt the year-end actual totals as presented as the final 2009-2010 budget amendments. ROLL CALL VOTE; YEAS: Lacca, Kiel, Grey, Griffin, Miller, Pattison & Torgerson; NAYS: None; MOTION CARRIED UNANIMOUSLY (7-0-0).

With no further business, the Village Council stood in adjournment at 5:34 PM.

x\ _____
Jeffrey P. Grey, Village Clerk

x\ _____
Dave Torgerson, Village President

SNOWPLOWING RFP RESULTS - JUNE 22, 2010

		Historical Extrapolation				
		217 Hours	375 Hours	754 Hours		
		21 Events	40 Events	65 Events		
Company	Submission	Lowest Year	Average Year	Highest Year		
Contacted by the Village via USPS	Central Asphalt	\$98.50 per hour	\$ 21,374.50	\$ 36,937.50	\$ 74,269.00	
	Bohn Tree & Lawn	Did Not Submit				
	Lynchburg Excavating	Did Not Submit				
	Jackson Bulldozing	Did Not Submit				
	Malley Transport	\$63.00* per hour	\$ 13,671.00	\$ 23,625.00	\$ 47,502.00	
	Ace Construction	Did Not Submit				
	McGuirk Sand & Gravel	Did Not Submit				
	McGuirk Excavating	Did Not Submit				
	Al Davis Construction	Received after deadline (\$38,000 per season)	\$ 38,000.00	\$ 38,000.00	\$ 38,000.00	
	Al Davis Construction	Received after deadline (\$110 per hour)	\$ 23,870.00	\$ 41,250.00	\$ 82,940.00	
	Hardcrete Inc.	\$94.50 per hour	\$ 20,506.50	\$ 35,437.50	\$ 71,253.00	
	Hardcrete Inc.	\$27,000 - 300 Hours + \$85/hr	\$ 27,000.00	\$ 33,375.00	\$ 65,590.00	
	Hardcrete Inc.	\$36,000 - 400 Hours + \$82/hr	\$ 36,000.00	\$ 36,000.00	\$ 65,028.00	
	Hardcrete Inc.	\$44,500 - 500 Hours + \$80/hr	\$ 44,500.00	\$ 44,500.00	\$ 64,820.00	
	Hardcrete Inc.	\$53,400 - 600 Hours + \$75/hr	\$ 53,400.00	\$ 53,400.00	\$ 64,950.00	
Miller Devlopment Inc.	\$92.50 per hour	\$ 20,072.50	\$ 34,687.50	\$ 69,745.00		
Ritter Snow Plowing	\$120.00 per hour	\$ 26,040.00	\$ 45,000.00	\$ 90,480.00		
Barryton Excavating	\$90.00 per hour	\$ 19,530.00	\$ 33,750.00	\$ 67,860.00		
Bolle Contracting	\$1,600 per event	\$ 33,600.00	\$ 64,000.00	\$ 104,000.00		
Bolle Contracting	\$36,000 per season	\$ 36,000.00	\$ 36,000.00	\$ 36,000.00		
Bolle Contracting	\$85.00 per hour	\$ 18,445.00	\$ 31,875.00	\$ 64,090.00		