

Service Area Commissioner Training

MONDAY, JANUARY 24, 2011

Please sign in.

Help yourself to coffee and
snacks.

INTRODUCTIONS

RURAL SERVICES STAFF:

APRIL BARNES

KEVIN HAWMAN

DIANE ASLAM

ANN WORHATCH

BILL GRYDER

TRAINING ANNOUNCEMENT:

Gravel Road Management (a practical look at gravel road damage)*

Instructor: Robert McHattie, MCE, PE.**

March 8, 2011 6-8:30pm at the Westmark Hotel 813 Noble St.

Registration required, follow the link & instructions below.

REGISTRATION DEADLINE: FEBRUARY 15, 2011

Road Management Planning* (2 classes)

Instructor: Dr. Larry Bennett, P.E. **

March 22, 2011 and April 5, 2011 6:00-8:30pm at the Westmark Hotel 813 Noble St.

Registration required, follow the link & instructions below.

REGISTRATION DEADLINE: MARCH 1, 2011

This training is being provided by the Local Technical Assistance Program (LTAP),
DOT/PF.

Follow the link to their training webpage
<http://dot.alaska.ecatts.com/lmsTrainingCalendar>

Find the class, click on the registration link and you will be able to set up a log in account, under "New T2 Students". After logging in you will be able to register for the classes on line.

***Course Descriptions:**

Gravel Road Management (a practical look at gravel road damage):

The general theme of the training is "Using unsurfaced road condition assessments to develop a simplified step-by-step approach to scheduling and budgeting for cost-effective short-term and long-term repair work."

You will learn: How the gravel roadway's "structure" is damaged during construction or after construction by nature, by vehicle loadings, and by poor maintenance practices. How to recognize the important types of road damage as well as short-term and long-term repairs appropriate for each damage type. Ways of gauging whether appropriate repairs have been done correctly.

Road Management Planning:

The objective is to provide road service area commissioners with an understanding of the planning process so that they can carry out their responsibilities and thus serve their road service areas effectively. Topics include visioning and mission setting, developing long- and short-term objectives, assessing gravel road conditions, prioritizing maintenance and repair tasks, budgeting and scheduling. The course features a case study exercise utilizing video footage to assess road conditions in a hypothetical Fairbanks North Star Borough service area, to prioritize the resulting needs, and to schedule and budget, within limited funds, the highest priority tasks.

****Brief Bio's:**

Robert McHattie, MCE, PE. Bob worked 26 1/2 years for the Alaska DOT&PF as a research engineer and as Northern Region's Geotechnical Engineer. After retiring from the Department in 1999 he formed an engineering research company (GZR Engineering) specializing in studies of road performance, pavement design methods and road construction materials. As a consultant, Bob has completed many projects for various agencies and private contractors in Alaska.

Dr. Larry Bennett, P.E., is a civil engineer, land surveyor and engineering manager who has practiced in Alaska since 1968. He retired in 1997 after 29 years on the engineering management faculty at the University of Alaska Fairbanks. His consulting activities include construction management and scheduling, on-site water and wastewater testing and design, land surveying, construction contract claims, and a variety of training including university courses, corporate short courses, and workshops.

TONIGHT'S AGENDA

PLANNING

- Work sheet for estimating your budget
- Annual Routine Maintenance Costs
- Work orders & Improvement Costs

BUDGET

- This years process
- Using savings to fund work
- Project funding

MEETINGS

- Agenda
- Minutes
- \$2K/mile funds
- Accepting grant/match funding
- Action items

*MURPHY DOME ROAD
EXTENSION
July 2010*



CHAINS & 4 WD REQUIRED (ASK ME HOW I KNOW)



NO ROUTINE MAINTENANCE FOR 27 YEARS



PLANNING FOR NEXT FISCAL YEAR'S WORK:

1. IDENTIFY ANNUAL COSTS
2. USE SERVICE AREA BID TABS FOR ESTIMATES
3. INCLUDE WORK ORDER SPENDING
4. TOTAL EXPENDITURES AND ADJUST YOUR BUDGET AS NEEDED

IFB 10052 K

Issued: May 03, 2010

Opened: May 19, 2010

Revised:

**Example Road Service Area
Annual Maintenance Bid Tabulations**

No. Contractors: 5
 No. Responses: 1
 Term FY: 2011
 Renewal Options: 4

PAY ITEM #	ITEM DESCRIPTION	UNIT	QUANTITY	M & M Constructors UNIT PRICE	TOTAL AMOUNT
301(3A-E1)	Crushed Aggregate, Grading E-1 - Less than 70 Tons	Ton	10	\$55.00	\$550.00
301(3B-E1)	Crushed Aggregate, Grading E-1 - 70 Tons or More	Ton	70	\$32.00	\$2,240.00
303(1)	Recondition Road	Mile	1	\$2,800.00	\$2,800.00
803(2A)	Snow Removal w/ Grader Less than 80" of Accumulation	Mile	32	\$240.00	\$7,680.00
803(2B)	Snow Removal w/ Grader More than 80" of Accumulation	Mile	6.31	\$300.00	\$1,893.00
803(4)	Hardpack Removal	Mile	6.31	\$400.00	\$2,524.00
811(1)	Blade and Compact Road	Mile	6.31	\$525.00	\$3,312.75
811(3)	Blade Road	Mile	6.31	\$450.00	\$2,839.50
845(1)	Machine Clearing	Hour	8	\$200.00	\$1,600.00
845(2)	Hand Clearing	Man-Hour	4	\$65.00	\$260.00

BID TOTAL \$25,699.25

Other Bids

OTHER GOODS AND SERVICES

ITEM NO.	DESCRIPTION	HOURLY RATE	ITEM NO.	DESCRIPTION	HOURLY RATE
Other	Backhoe/Loader Combination	\$110.00		Vibratory Roller, 6 Ton, 5' Wide Drum Min (Prevailing Wage)	\$175.00
	Backhoe/Loader Combination (Prevailing Wage)	\$125.00		Water Truck 3000 Gal Min	\$110.00
	Belly, Side, or Semi-end Dump Truck 18 CY Min	\$125.00		Water Truck 3000 Gal Min (Prevailing Wage)	\$125.00
	Belly, Side, or Semi-end Dump Truck 18 CY Min (Prevailing Wage)	\$135.00			
	Crawler Tractor w/ Angle Dozer - JD 450 or equal	\$110.00			
	Crawler Tractor w/ Angle Dozer - JD 450 or equal (Prevailing Wage)	\$125.00			
	Dump Truck 10 CY Min.	\$110.00			
	Dump Truck 10 CY Min. (Prevailing Wage)	\$125.00			
	Grader, Cat 12G Series or equal	\$160.00			
	Grader, Cat 12G Series or equal (Prevailing Wage)	\$175.00			
	Laborer	\$55.00			
	Laborer (Prevailing Wage)	\$70.00			
	Loader, 2.5 CY Min	\$160.00			
	Loader, 2.5 CY Min (Prevailing Wage)	\$175.00			
	Vibratory Roller, 6 Ton, 5' Wide Drum Min	\$165.00			

Annual Road Maintenance Planning Sheet

1. IDENTIFY ANNUAL COSTS

- Use past SA records and bid tabs.
- What regular maintenance work items does the service area use every year?

Work Item	Number of times/year
Snow removal	2
Hardpack removal	1
Sanding	
Brushing	1
Blading	
Culvert thawing/cleaning	
Ditch cleaning	
Blade w/compaction	1
Blade Road w/ water & compaction	
Crack sealing/pot hole repair	
Other: <i>add surfacing gravel</i>	Work order
Other:	
Other:	
Other:	

- **Estimating routine winter maintenance work:**

Consider how many plowings the SA usually orders in a year
 Add contingency plowings for heavy snow years
 Hard pack is usually a once a year item
 How much sand does the SA typically use a year?

- **Estimating routine summer maintenance work:**

When did the SA order brushing last? Do you brush every year?
 How many times a year does the SA typically order blading?
 Add contingency bladings in case of a rainy summer.
 If the SA wants culvert thawing every year, how much do you typically spend each year?
 Do you need ditch cleaning this year?
 Do you need culvert cleaning this year?

- **Use your estimate to fill out the Annual Work Plan Costs Spread Sheet:**
 1. Note there are 2 spread sheets, one each for routine maintenance and one for work order planning. Work on the routine maintenance sheet first.
 2. You will need a copy of your Bid Tab sheet for unit prices
 3. From the list above, fill in the quantity for your contract bid items for routine maintenance work
 4. Multiply the “unit price” by the quantity to get the estimated total for that item of work.
 5. Repeat the process for other work items.
 6. Subtotal the column for the cost of your routine maintenance work

- **Estimate your work order improvements:**
 1. Estimating isn't necessary if you have a “not to exceed” price for the work you have in mind.
 2. Remember to talk to Rural Services before proceeding with a work order exceeding \$20,000. If the work is more than \$20,000 and considered a “capital improvement”, the assembly must appropriate the funding. Our web site has a document under “Road Information” called *Capitol Projects and Assembly Appropriation* for more information.
 3. Estimating earthwork items requires access to many estimating factors and is beyond our training tonight. Some commissioners have a background in estimating earthwork, but for others, use a work order and have your contractor provide an estimate.
 4. This work order example will be for adding gravel at a “not-to-exceed” price.

ROUTINE MAINTENANCE					
BID ITEM NUMBER	ITEM DESCRIPTION	A UNIT PRICE	UNIT	B QUANTITY	A x B = TOTAL ESTIMATED TOTAL
803(1A)	SNOW REMOVAL <80"	\$240.00	MILE	12.62	\$3,028.80
803(2A)	SNOW REMOVAL W/ GRADER <80"		MILE		
803(3A)	SNOW REMOVAL W/TRUCK PLOW <80"		MILE		
803(4)	HARD PACK REMOVAL	\$400.00	MILE	6.31	\$2,524.00
803(5)	SNOW HAULING		LOAD		
803(6)	EMERGENCY ACCESS SNOW REMOVAL		MILE		
804(1)	SANDING FOR ROADWAYS		TON		
804(2)	SAND FOR SANDING BOX		TON		
805(1)	SWEEPING		MILE		
811(1)	BLADE & COMPACT ROAD	\$525.00	MILE	6.31	\$3,312.75
811(2)	BLADE & COMPACT ROAD WITH WATER		MILE		
811(3)	BLADE ROAD		MILE		
835(1)	CLEAN DITCHES		MILE		
835(2)	THAW DRAINAGE STRUCTURES		HOUR		
835(3)	FLUSH DRAINAGE STRUCTURES		HOUR		
835(4)	PUMPING		HOUR		
845(1)	MACHINE CLEARING	\$200.00	HOUR	8	\$1,600.00
845(2)	HAND CLEARING		HOUR		
845(3)	DEBRIS REMOVAL AND DISPOSAL		HOUR		
				SUB TOTAL ROUTINE MAINTENANCE	\$10,465.55
				TOTAL FROM SHEET 2	
				TOTAL ESTIMATED OPERATING EXPENSES	

ANNUAL WORK PLAN COSTS SPREAD SHEET

WORK ORDER IMPROVEMENTS						
			A		B	A X B = TOTAL
	ITEM NO.	ITEM DESCRIPTION	UNIT PRICE	UNIT	QUANTITY	ESTIMATED TOTAL
SECTION 203	203(1)	EXCAVATION		CY		
	203(2-4)	DITCH CONSTRUCTION		LF/MILE		
	203(5A-7B)	BORROW		CY/TON/MEAS.		
SECTION 301	301(1A-5)	AGGREGATE	32.00	CY/TON	320	\$10,240.00
SECTION 303	303(1-2)	RECONDITION ROAD		MILE		
SECTION 304	304(1- & 2-)	SUBBASE		TON/CY		
SECTION 401	401(1-6)	ASPHALT PAVEMENT REPAIR		SF/LF		
SECTION 603	603(1__)	___ INCH PIPE		LF		
	603(2__)	___ INCH COUPLING BAND		EACH		
SECTION 615	615(3)	CULVERT MARKERS, TYPE ___		EACH		
SECTION 630	630(1)	GEOTEXTILE FOR SEPARATION		SY		
	630(2)	GEOTEXTILE FOR STABILIZATION		SY		
ADD THIS TOTAL TO SHEET 1					SUM OF TOTALS FOR SHEET ONE	\$10,240.00

ROUTINE MAINTENANCE					
		A		B	A x B = TOTAL
BID ITEM NUMBER	ITEM DESCRIPTION	UNIT PRICE	UNIT	QUANTITY	ESTIMATED TOTAL
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803(2A)	SNOW REMOVAL W/ GRADER <80"		MILE		
803(3A)	SNOW REMOVAL W/TRUCK PLOW <80"		MILE		
803(4)	HARD PACK REMOVAL	\$400.00	MILE	6.31	\$2,524.00
803(5)	SNOW HAULING		LOAD		
803(6)	EMERGENCY ACCESS SNOW REMOVAL		MILE		
804(1)	SANDING FOR ROADWAYS		TON		
804(2)	SAND FOR SANDING BOX		TON		
805(1)	SWEEPING		MILE		
811(1)	BLADE & COMPACT ROAD	\$525.00	MILE	6.31	\$3,312.75
811(2)	BLADE & COMPACT ROAD WITH WATER		MILE		
811(3)	BLADE ROAD		MILE		
835(1)	CLEAN DITCHES		MILE		
835(2)	THAW DRAINAGE STRUCTURES		HOUR		
835(3)	FLUSH DRAINAGE STRUCTURES		HOUR		
835(4)	PUMPING		HOUR		
845(1)	MACHINE CLEARING	\$200.00	HOUR	8	\$1,600.00
845(2)	HAND CLEARING		HOUR		
845(3)	DEBRIS REMOVAL AND DISPOSAL		HOUR		
				SUB TOTAL ROUTINE MAINTENANCE	\$10,465.55
TOTAL FROM SHEET 2					\$10,240.00
TOTAL ESTIMATED OPERATING EXPENSES					\$20,705.55

QUESTIONS?

Service Area Funding

- money comes from:
 - taxes collected
 - interest earned
 - grants received

OVERVIEW OF BUDGET PROCESS

Budget Process

- February – proposed budgets sent out to service areas
 - based on current year's assessments combined with upcoming year projections
- Public meeting to decide whether to accept or adjust budget
- Budgets must be returned by **Monday, February 28, 2011**

Timeline

- Letter to Commissioners mailed first week of February with recommended budget sheets attached.
- Meeting dates: Between February 7th and February 27th.
- Meeting Advertising Notice must be received by April no later than 9AM Thursday February 17th for meetings on the 26th & 27th.
- Budget form must be signed and returned, with attached attendance sheet and meeting minutes- No later than 5:00 PM February 28, 2011
- If Rural Services has not received your budget form by Monday, February 28, 2011, your changes will NOT make it into the 2011-2012 budget.



Fairbanks North Star Borough Rural Services Division

3175 Peger Road PO Box 71267 Fairbanks, Alaska 99707-1267 (907)459-1223 FAX 459-1499

**Response required by
February 28, 2011**

February 4, 2011

RE: FY 12 Recommended Service Area Budget

Dear Commissioner:

Enclosed is your Recommended Service Area Budget for the new fiscal year that begins July 1, 2011. If your Commission wants to make changes to this budget, it is extremely important to follow the steps outlined below for a public meeting.

- The Commission must hold a publicly noted meeting **between Monday, February 7th and Sunday, February 27, 2011.** In order to have your meeting properly advertised, the Commission must turn in the "Meeting Advertising Notice" to April in our Rural Services office. The form is located on our website at <http://co.fairbanks.ak.us/RuralServices/Forms>, or in our office at 3175 Peger Road. Notice the lead time our office needs to advertise your meeting. The latest April can receive this notice to advertise a meeting (which will allow you to return your budget by the deadline noted above) is **by 9AM, Thursday, February 17th** for meetings on the 26th or 27th.
- At this meeting you will want to discuss your service area's needs and decide if your service area wants to increase or decrease the budget for the next fiscal year. The Commission can increase next year's operating budget by transferring money from fund balance (savings). Or you can reduce next year's operating budget by making a contribution to either fund balance (savings) or a capital project account. If you would like to transfer funds from/to fund balance (savings) or contribute funds directly to a capital project account, please indicate as such on the appropriate lines.
- The Commission must sign and return the budget form, along with the attendance sheet and minutes of the meeting, **by 5:00 PM, Monday, February 28, 2011.** These can be dropped off at our office or mailed in the postage paid return envelope enclosed for your convenience.
- **If Rural Services has not received your budget form by close of business, Monday, February 28, 2011, your changes will not make it into the 2011-2012 budget.**

Expenditures from regular funds, grant funds and the balance of grant funds as of December 31, 2010 are included in the "Information for budgeting purposes" section of the budget form. These figures reflect all service area expenditures to date for the current fiscal year.

If you need assistance or additional information on your budget, please contact me at 459-1222, or email aslamd@fnsb.us.

Sincerely,

Rural Services Division

Enclosure

Adjusting Your Budget

Example:

Adding money to
operating expenditures
from
Fund Balance (savings)

EXAMPLE ROAD SERVICE AREA
FY 2011-12 Recommended Service Area Budget

2010 Taxable Assessed Value: \$25,700,389

Fund Balance (Savings) balance as of 12/31/10:..... \$40,000

2010 Mill Rate:796

Road Miles: 6.31

Revenues	<u>FY 2011 Approved Budget</u>	<u>FY 2012 Recommended Budget (Increasing Operating)</u>
Property Taxes	\$20,480	\$20,700
Interest Earnings	\$ 540	\$ 300
Total	\$21,020	\$21,000
Contribution from Fund Balance	\$	\$ 2,305
New Total	\$21,020	\$23,305
Expenditures	<u>FY 2011 Approved Budget</u>	<u>FY 2012 Recommended Budget</u>
Loan Repayment	\$	\$
Operating Expenditures	\$19,450	-\$18,400 \$20,705
Borough Direct Cost	\$1,570	\$2,600
Total	\$21,020	-\$21,000 \$23,305
Contribution to Fund Balance	\$	
Contribution to Capital Project Account		
Project Description		
New Total	\$21,020	\$23,305

Information for budgeting purposes

20% Reserve	\$4,204	\$4,200
Expenditures to date from SA budget (as of 12/31/10)	\$ 9,420	
Expenditures to date from Grant funds (as of 12/31/10)	\$0	
Remaining grant funds (as of (12/31/10)	\$0	
Remaining "Project Only" grant funds (as of (12/31/10)	\$12,620	

Previous Annual Expenditures

FY 2006	\$21,911		FY 2008	\$16,347		FY 2010	\$21,322	
FY 2007	\$17,137		FY 2009	\$5,482		FY 2011	\$21,436	

The above Proposed Service Area Budget has been approved, with any changes noted, by the Commissioners signing below:

Commissioner Signatures

Date

Adjusting Your Budget

Example:

Adding money for a
capital project account
from
fund balance (savings)

Adjusting Your Budget

Example:

Adding money to
operating expenditures

And a
capital project account

from
fund balance (savings)

EXAMPLE ROAD SERVICE AREA
FY 2011-12 Recommended Service Area Budget

2010 Taxable Assessed Value: \$25,700,389

Fund Balance (Savings) balance as of 12/31/10: \$40,000

2010 Mill Rate:796

Road Miles: 6.31

Revenues	<u>FY 2011 Approved Budget</u>	<u>FY 2012 Recommended Budget (Contribution to Cap.Proj & Operating)</u>
Property Taxes	\$20,480	\$20,700
Interest Earnings	\$ 540	\$300
Total	\$21,020	\$21,000
Contribution from Fund Balance	\$	\$30,000
New Total	\$21,020	\$51,000
Expenditures	<u>FY 2011 Approved Budget</u>	<u>FY 2012 Recommended Budget</u>
Loan Repayment	\$	\$
Operating Expenditures	\$19,450	\$18,400 \$23,400
Borough Direct Cost	\$1,570	\$2,600
Total	\$21,020	\$21,000 \$26,000
Contribution to Fund Balance	\$	
Contribution to Capital Project Account		\$25,000
Project Description	Pave Dusty Lane Road	
New Total	\$21,020	\$51,000

QUESTIONS?

MEETINGS

AGENDA ITEMS

Any action requiring a vote of the commission must be on the agenda to make your meeting count!

The agenda is critical to the public information process, and is part of the public record

EXAMPLE OF ITEMS TO INCLUDE ON THE AGENDA:

- Budget approval
- Planned expenditures
- Election of officers
- Service Area plans
- Project submittals
- Tax cap changes

MINUTES

HAVE A ROAD SERVICE AREA MEETING THAT COUNTS!

All road service areas are REQUIRED to have a minimum of 2 meetings a year to fulfill the responsibility of communication with service area residents. Service Areas may have additional meetings if needed for improved communication efforts.

All Road Service Area meetings require the following components:

- A public notice (form sent to Rural Services) advertisement, in addition to the usual way the service area may use to let residents know of the meeting. The interactive online form is at: <http://co.fairbanks.ak.us/RuralServices/Forms/>, then click on “Meeting Advertisement Notice”
- Agenda¹
- Previous meeting minutes
- A sign in sheet for attendees
- Start of meeting time
- Note attending commissioners to demonstrate a quorum
- A chairman whose duty is to run the meeting
- A commission secretary responsible for accurately recording the minutes
- Voting only on agenda items²
- The results of individual commissioner voting
- Other topics discussed for future action
- Action items³
- Adjournment time

1. Agenda – What does the commission want to accomplish in the meeting? *Any action requiring a vote of the commission is an item for the agenda.* Here are some examples of items that require a vote of the commission for action: **BUDGET APPROVAL, BUDGET TRANSFERS, PLANS FOR WORK OTHER THAN ROUTINE MAINTENANCE**, grant acceptance, approving the matching funds for a grant project, project submittals, tax cap election request, **RENEWING OR NOT RENEWING ANNUAL MAINTENANCE CONTRACTS, SHORT AND LONG TERM PLANS TO ADOPT**, and election of officers.

2. Voting – only commissioner votes need to be recorded by individual, just like Assembly voting. A vote amongst the attendees may be recorded as favorable or unfavorable, but keep the commission vote separate. Action can only take place on agenda items.

3. Action Items – **PLEASE LET US KNOW WHEN YOUR MEETING MINUTES CONTAIN INFORMATION YOU WANT RURAL SERVICES TO TAKE ACTION ON!!** Votes for new officers require database updates; **BUDGET TRANSFERS, IMPROVEMENT WORK, CONTRACT RENEWALS OR REQUESTING YOUR CONTRACT BE REBID**, tax cap election requests, or any other request for Rural Services.

_____ SA Meeting Minutes

Meeting Location:

Date of meeting _____

Commissioners present _____

_____ *

Other attendees

1. Meeting called to order at _____.

2. Election of officers: (if necessary)

3. Reading of the agenda.

4. Call for approval of the agenda:

5. Reading of minutes from prior meeting(s).

6. Call for approval of the minutes:

7. Public Comments:

8. Old Business: agenda items

a.) Grant project acceptance discussion:

Commission vote for grant acceptance:

Comm #1 _____ Comm #2 _____ Comm #3 _____

b.) Discussion of funding for grant match money:

Commission vote for grant funding as described:

Comm #1 _____ Comm #2 _____ Comm #3 _____

c.) FY 2012 budget discussion:

Commission vote for approval of budget:

Comm #1 _____ Comm #2 _____ Comm #3 _____

d.) discussion of maintenance work recently completed

e.) new maintenance problems to discuss

9. New Business: (non-agenda items to discuss or act upon at your next meeting)

a.) Commissioner comments

b.) Input from other attendees

11. Next meeting date or discussion of possible dates and locations.

12. Action Item Assignment: (Who, what, when, where and why?)

Cover letter to Rural Services outlining meeting approvals.

Commissioner responsible for submitting the meeting minutes and budget to Rural Services no later than February 28, 2011:

Who will set up the next meeting: _____ by _____ 2011

12. Adjournment at _____.

** A quorum consists of a majority of the total seats available in the commission:*

- *2 commissioners if the size of commission is 3 seats + 1 alternate*
- *3 commissioners if the size of commission is 5 seats + 1 alternate*
- *4 commissioners if the size of commission is 7 seats + 1 alternate*

*** Voting at a service area commission meeting:*

- *The secretary records the name and vote of each voting commissioner*
- *If teleconferencing with an out of town commissioner, the commissioner must be on speaker phone, or some other device that will allow everyone attending the meeting to hear the commissioner's vote.*
- *Separate voting of attendees is okay to record, but does not count. Often it is recorded in the minutes to demonstrate popularity of an action, like supporting the commission when applying for a 90/10 matching grant project. Similar to Assembly meetings, only the Assembly votes are recorded and often there is public testimony heard prior to the vote but the public does not actually vote on Assembly action.*

FINAL QUESTIONS?