

**BOARD OF MADISON COUNTY COMMISSIONERS  
PRELIMINARY BUDGET HEARINGS  
June 2, 2021, Minutes**

On Monday, June 2, 2021, the Board of Madison County Commissioners conducted Preliminary Budget Hearings beginning at 1:00 p.m. in the Second Floor Court Room of the Administrative Office Building in Virginia City, Montana, with Commissioners Dan Allhands, Chairman, Jim Hart and Ron Nye present. Laurie Buyan, Executive Assistant to the Board of Commissioners, was present to take minutes.

Those people in attendance at the hearings were Roy Hill, Ray Rowberry, Vicki Tilstra, Kila Shepherd, John (Shorty) Roberts, Ellis Thompson, Shane Escott, Frosty Armstrong, Britani Allhands, and Tony Tezak.

**Continuation of Preliminary Budget Hearing for Roads:** Dan opened the meeting by stating that Ron requested a second meeting for road budgets and that he (Dan) also thinks it's necessary to justify some of their expenses. Vicki Tilstra, Finance Officer, and Britani Allhands, Finance Assistant, distributed copies of current budget query and preliminary budget worksheets. Dan stated that he and Ron have concerns, and so do the other road crews, about the amount of money District 3 has spent on machinery, comparing what they have spent versus what the other road departments have spent. He added that his job as Road Supervisor is to justify why new equipment is needed and how you're going to pay for it, noting that gravel hauled in District 3 is pretty minuscule compared to other road districts. He asked Roy how they can justify three new trucks and belly dumps. Roy responded that at some point they need to get to a place where they can do more hauling. He added that they have a lot of down time and he would like to alleviate that. Jim stated that is also his thought process; he would like three trucks and three belly dumps. He stated he doesn't want to argue at all and would like to have this discussion and figure out what is the right route to take. He stated that he and Roy have been attempting to work on acquiring solid equipment without having to spend so much money on maintenance, as all the road crews do. He added that Madison County spends an amazing amount of money on repairs and that's why he has encouraged Roy to do what he is attempting to do and that is to find good equipment so they can build and maintain roads. He stated that one of the questions asked at the last meeting was whether they build or maintain roads and his answer at the time was maintain. He explained that they both build and maintain roads and that many of roads have not been built to the standards they should be and that's why they need the equipment they are attempting to acquire. He added that when he leaves, he wants to leave the road district as solid as he can, like Ted did for him. He stated that the two trucks that haul the belly-dumps are in okay shape and could continue another year but added that he doesn't think we would save any money by buying one truck a year. He explained in round numbers, it is about \$150,000 per truck to buy or to lease three trucks with an option to purchase is \$100,000 per year and after four or five years, it's about the same amount of money. He added that the trailers are not in good shape but have lasted pretty well. He stated that he can back off and do something differently, but that he doesn't overspend his budget. He discussed the amount that he owes road general, and wasn't sure if it was \$60,000, \$70,000, or \$80,000, adding that it had to do with a grader and that the graders come out of general road. He said he will pay it back if he needs to, but doesn't feel he needs to.

Ray Rowberry, District 1 Foreman, stated that he can understand you wanting new stuff, but his biggest concern is the cost and if it can't be justified for the amount of gravel you move. He stated that a couple years ago he dumped 45,000 yards of gravel in one year. Jim stated that they can't move that kind of gravel because they've always got something broke down. Ray discussed how the road crews used to work together and knock out five miles in a week. He stated you have to get the crews together and get back to that. Jim totally agreed to that, adding that he doesn't know why it stopped but that they need to get back to it. Shorty thanked Ray for his comments.

Ron stated that three or four years ago they had to take \$300,000 (\$100,000 each) out of the road budgets because they didn't have enough money and that if you lease these trucks and something happens, you're committed. He added that a good reason to only buy one truck at a time, noting that they have already bought one truck this year and two snowplow trucks.

Shane asked what's the reason for not buying good used trucks, adding that's all they have. Roy stated that their trucks each have close to a million miles on each of them and there's something picking away at them all the time. Shane responded that you're going to have that with trucks and the difference with new is that they would have a warranty to cover it.

Shorty asked what kind of maintenance program they have, so that equipment is ready to go when they need it, and asked if equipment is serviced when it's down. Ray stated that their equipment is serviced twice a year and that sometimes it doesn't need it but it's serviced anyway and ready to go when they need it. There was further discussion regarding equipment maintenance.

Frosty discussed the amount they spend on maintenance compared to the number of miles they maintain adding that if you think buying new equipment is going to reduce the amount you spend on maintenance, it isn't working.

Shorty stated he doesn't see a need to spend money on new trucks, adding that you have some pretty nice machinery right now. Jim responded by asking why we can't get to that next level where we can all actually have new equipment rather than the County continually having used. He thinks that should be the objective of the County, to have good solid equipment so we can do the job the public wants us to do. Eli discussed depreciation of new equipment, adding that the County doesn't use it enough to off-set the depreciation. He also discussed the amount of equipment that's sitting around not being used and suggested that the County goes back to contracting out some of the work rather than investing in all the equipment that sits around at each shop. There was discussion about leasing equipment when it's needed, the cost of hiring contractors to do the big jobs, the number of employees in each district, the amount of material that's been hauled by each district in the past few years, getting back to having crews helping each other on the big jobs, crushing at the McKee pit for the upcoming work on the Cliff and Wade Lake Road project. Ron stated that this is what brought up the need for three new trucks and the extra \$100,000 in the lease line. He asked what would happen if each of the road departments asked for an additional \$100,000 and what that would do to road general. There was further discussion about the amount of funds in the District 3 budget.

Following this discussion, Jim stated that if leasing three new trucks is the rub, let's figure out what something better to do. He added that he's not convinced that they should buy only one new truck. Dan asked if you buy three new trucks, what are you going to haul with it. He discussed the amount that has been spent on sand/salt and how much on gravel. He stated he has to be able to justify it to the public and he can't justify three new trucks and three new belly dumps when there's nothing to haul. Ron also stated that he couldn't support it.

There was more discussion about working together, sharing equipment, sending the operator with the machine he knows, meeting each year at budget time and prioritizing what needs to be done in each district, justifying what you're doing for the amount of money you're spending, and using mag-chloride.

In closing, Jim stated that they will back off on this whole three truck thing and figure out something else.

With no further business, the hearing concluded at 1:55 p.m.

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Dan W. Allhands, Chairman  
Board of Madison County Commissioners

Date Approved: August 10, 2021

Minutes prepared by:

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Laurie Buyan, Executive Assistant

Attest: \_\_\_\_\_  
Paula McKenzie, Clerk and Recorder  
Madison County