

September 25, 2019

The Board of County Road Commissioners of Montcalm County held a regular meeting at its office located in Stanton, Michigan at 9:00 a.m. on September 25, 2018.

Present: Robert Brundage and Michael Scott; also present: Mark Christensen, Managing Director, Pat Denton, Engineering Technician and Kim Alexander, Finance Director-Clerk.

Absent: Dale Linton

The Pledge of Allegiance and a prayer were given.

Moved by Scott, seconded by Brundage, to approve the agenda as amended. Motion carried.

Moved by Scott, seconded by Brundage, to approve the minutes of the September 4, 2019 meeting as presented. Motion carried.

A public hearing for the purpose of reviewing the proposed 2020 General Appropriations Budget was opened at 9:02 a.m.

The Finance Director/Clerk presented the following notes to the budget:

These notes include additional information regarding the Preliminary Budget for fiscal year 2020 to be considered on September 25, 2019. We are predicting an addition of \$86,947 to fund balance at the end of 2020.

REVENUES – Budget Amount: \$15,273,783.

Michigan Transportation Funds – We budgeted an increase of \$1,044,483.31 at \$10,277,983.31 in the MTF payments. This number was taken from the Michigan Treasury ORTA (Office of Revenue & Tax Office) estimate dated 1/11/19.

State and Federal Aid – We have budgeted State and Federal aid for the following projects proposed for 2019:

- 1.) County Farm from Sheridan to Derby Road – Mill and Fill –\$745,800
- 2.) 582 from the Howard City Village Limit to US 131 Ramp – Mill and Fill –\$150,000
- 3.) Chip/fog seal Lake Montcalm Road from Crystal Road to Deja Road –\$94,000
- 4.) Chip/fog seal Sidney Road from Sloan Road to Stevenson Road –\$170,000

State Trunk Line Maintenance – As of now we have not received a trunk line maintenance budget from the Michigan Department of Transportation. We have budgeted \$1,189,500. This amount will be adjusted once we receive the trunk line budget from MDOT.

Township Contributions – We have budgeted a similar amount in township contributions compared to the current year. In the spring as the townships return signed contracts for local road projects, this number will be adjusted up or down.

EXPENDITURES – Budget Amount: \$15,186,836

Road and Bridge Maintenance (Routine, Preventive and Winter) – We have budgeted close to estimated 2019 budget levels. Since maintenance work is heavily dependent on the weather and conditions beyond our control, these expenditures may need to be adjusted up or down later in the year—usually after we get through winter and see what actual costs are. The majority of the projected MTF increase is budgeted in Primary Road Maintenance.

Equipment Expense (Direct, Indirect and Operating) – We have budgeted about the same as previous years in these categories. The gas/diesel is running high at the time the budget was written so it was increased to \$500,000 but can be adjusted after winter. We hope to have a fair reduction in fuel costs due to the shared fuel station with Emergency Services that is expected to be operational sometime in October.

Capital Outlay – This year we have budgeted \$1,300,000 for capital outlay. The 2020 Capital Outlay Plan calls for the purchase of the following:

Howard City Cat Loader - \$230,000

Stanton Motorgrader- \$300,000
Outfitting of 2 Freightliner Trucks - \$250,000
Used Shop Service Truck - \$60,000
Howard City Mower - \$150,000
Engineering Pick-up - \$35,000
Track steer sweeper - \$80,000
Tube Trailer - \$15,000
3 Utility Trailers - \$15,000
Greenville quick attach forks - \$30,000
Building Savings - \$100,000

Interest – We have budgeted \$624,752.55 for the annual principal and interest payments on the trucks and equipment purchased over the last few years. The truck and equipment loan will be paid off this year. The Peterbilt trucks in November and the equipment to outfit them in March. This leaves the road repair note that will be paid off in 2026 and the Greenville Cat loader that was purchased last year and paid off in 2023.

Moved by Scott, seconded by Brundage to close the public hearing at 9:14 a.m. Motion carried.

Motion by Scott, seconded by Brundage to adopt the year ending 9/30/20 General Appropriations Budget in the amount of \$18,926,883. Furthermore, for the purpose of administering the General Appropriations Budget in accordance with the provisions of Public Act 621 of 1978, as amended, the following provisions are included: 1) Mark Christensen, Managing Director, is designated as Chief Administrative Officer and Kim Alexander, Finance Director-Clerk is designated as Fiscal Officer. 2) The Chief Administrative Officer is authorized to transfer up to 25% of a line item amount approved in the General Appropriations Budget to another line item without prior approval but subject to approval of the Board of Commissioners at their next regular board meeting. 3) The expenditure amount of Distributive Expense, as approved in the General Appropriations Budget, shall be allocated to the various other expenditure line items in the proportion as the allocation of actual Distributive Expense at year-end. Roll call: Brundage-yes, Scott-yes. Motion carried.

Motion by Scott, seconded by Brundage, to approve the year ending 9/30/19 General Appropriations Budget estimated at \$19,574,608.78 plus estimated year-end operating funds of \$1,900,000. Roll call: Brundage-yes, Scott-yes. Motion carried.

Motion by Scott, seconded by Brundage to approve a transfer of up to, 50% if needed, of Michigan Transportation Funds from the Primary Road Fund to the Local Road Fund for the year ending September 30, 2019. Roll call: Brundage-yes, Scott-yes. Motion carried.

Dave Kraft was present to discuss concerns that he has on Black Road and Kimball Road. Mark will stop by and look at the concerns.

Moved by Scott, seconded by Brundage, to approve the J. Leitz Construction bid for roof replacement of the Howard City Sand Shed that was damaged by a wind storm. Roll call: Brundage-yes, Scott-yes. Motion carried.

Moved by Scott, seconded by Brundage to authorize the Manager to sign the letter of support for the Crystal Township Park Committee. Motion carried.

Moved by Scott, seconded by Brundage to approve the bid renewal from Michigan Chloride for winter brine at the cost of \$0.1375/gallon. Roll call: Brundage-yes, Scott-yes. Motion carried.

Moved by Scott, seconded by Brundage to approve the bid from Bookwalter Chevrolet (\$38,285.50) for a 2020 Chevrolet 1500 pick-up truck for the Manager with a trade-in of \$36,285.50. (\$2,000 trade difference) Roll call: Brundage-yes, Scott-yes. Motion carried.

Manager's Report

- Working on gravel roads this week. Getting them back into shape after the last chloride.
- We are finishing up township projects and getting close to the end.
- Fuel tanks will hopefully be installed next week at the fuel station.
- Shop is working on winter maintenance equipment.

- Attended the North/South Association of Road Commission's meeting last week. Gave a presentation with Ionia County about our multi-county chip seal program.
- Superintendent's Conference is next week.
- The Truck Rodeo is October 9th in Kentwood if anyone is interested in attending.
- Will begin MDOT contract negotiations next Wednesday.
- Working on a program for the December MTA meeting.
- Think about dates for Township meetings as we have to get letters out for their November meetings.

Engineer's Report

- The Wise Road Bridge is open to traffic. The contractor is working on the punch list.
- The Fitzner Road overlay for the MDOT M-91 project detour route is complete except for pavement markings.
- The Eureka Township South County Line Road project started. The tree removal contractor is done. High Grade is removing stumps today. We will begin ditching next week.
- Paving in CR530 (Coral Road) is scheduled for mid to late October. We are placing an asphalt overlay on the east chip sealed portion and the base asphalt course on the west portion.

Moved by Scott seconded by Brundage, to approve the October 26, 2019 bills totaling \$1,317,677.38 and Payroll #19 totaling \$101,724.34. Roll call: Brundage-yes, Scott-yes. Motion carried.

There being no further business to come before the board, the meeting adjourned at 10:22 a.m.

Chairman

Clerk