

September 28, 2022

The Board of County Road Commissioners of Montcalm County held their regular meeting at its office located in Stanton, Michigan at 9:00 a.m. on September 28, 2022.

Present: Commissioners Dale Linton, Robert Brundage and Michael Scott; also present: Mark Christensen, Managing Director, and Kim Alexander, Finance Director-Clerk.

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 Brundage, seconded by Scott to approve the minutes of the September 7, 2022, meeting as presented. Motion carried.

Bruce Reynolds was present to inquire about an 18-foot encroachment into the right-of-way at 7405 Vestaburg Road. The proposed aluminum open sided carport would be 18 feet into the right-of-way. Moved by Brundage, seconded by Scott to approve the permanent 18-foot right-of-way encroachment of an open-sided carport at 7405 Vestaburg Road. Pat Denton will sign the permit. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

Moved by Scott, seconded by Brundage to open the public hearing for the 2023 General Appropriations Budget at 9:02 a.m. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

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

REVENUES – Budget Amount: \$20,569,347.56

Michigan Transportation Funds – We budgeted an increase of \$702,079.56 at \$11,334,259.56 in the MTF payments. This number was taken from the Michigan Treasury ORTA (Office of Revenue & Tax Office) estimate from May. The May estimate increased our 2022 MTF estimate to \$10,931,153.59 which, depending on our November payment, is attainable. We originally budgeted \$10,632,180 in 2022. This is the reason that the increase seems so large.

State and Federal Aid – We have budgeted State and Federal aid for the following projects proposed for 2023. The local match on all projects totals \$6,700.

- 1) Six Bridge Rehab Project
 - Sidney Road Bridge - \$34,000
 - Sidney Road Bridge - \$47,000
 - Federal Road Bridge - \$38,000
 - Blackmer Road Bridge - \$39,900
 - River Road Bridge - \$45,600
 - Fleck Road Bridge - \$41,800
- 2) Masters Road Bridge Project - \$972,000
- 3) Federal Road Safety Project - \$512,638
- 4) Dickerson Lake Road Bridge - \$679,250

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, which has been in January, the last few years.

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: \$20,569,036.62

Road and Bridge Maintenance (Routine, Preventive and Winter) – We have budgeted close to estimated 2022 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. With the fuel station in place, we are seeing a good reduction in our Stanton fuel costs, but prices have been up, so I increased the budget to \$600,000, which is close to our amended budget for 2022.

Capital Outlay – This year we have budgeted \$1,100,000 for capital outlay. Mark will detail his plans for this money. This number may have to be amended depending on what decisions are made with the Peterbilt trucks and when we will have to pay for them.

Interest – We have budgeted \$653,086.62 for our annual principal and interest payments. This includes \$439,457.33 for our road work note payment and the new truck garage payment of \$213,629.29. The road work will be paid off on 3/29/26 and the truck garage on April 1, 2037.

Notes – County ARPA Funds – We were given \$2,585,711 in ARPA funds from Montcalm County. I used the funds as follows for the 2022 budget year:

\$500,000 – New Truck Garage
\$400,000 – 2022 Primary Road Projects
\$455,711 – 2022 Township Matching on Local Roads

This will leave a balance for the 2023 budget as follows:

\$750,000 – 2023 Township Matching on Local Roads
\$300,000 – Excess Fuel Costs
\$180,000 – Excess Float Truck Costs

Truck Garage – We took a loan for \$2,750,000 from Isabella Bank. So far in 2022 we have spent \$1,661,205 on building costs. We also contributed \$500,000 from our general budget and \$500,000 from the county ARPA funds.

MBIA Account Interest – Our two investment accounts with MBIA (ARPA \$ and Building \$) are paying quite well. Last month we accrued \$9,029.88 in interest, which is more than we gained the whole year in 2021. I plan on leaving the funds in those accounts as long as cash flow allows.

Moved by Brundage, seconded by Scott to close the public hearing at 9:15 a.m. Motion carried.

Motion by Scott, seconded by Brundage to adopt the year ending 9/30/23 General Appropriations Budget in the amount of \$20,569,036.62. 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 and Linton-yes. Motion carried.

Motion by Brundage, seconded by Scott, to approve the year ending 9/30/22 General Appropriations Budget estimated at \$23,235,000. plus estimated year-end operating funds of \$959,900.83. Roll call: Brundage-yes, Scott-yes and Linton-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, 2022. Roll call: Brundage-yes, Scott-yes, Linton-yes. Motion carried.

Moved by Brundage, seconded by Scott to approve, and sign the following contract. Motion carried.

Evergreen Township

- Rotomill and pave base on Staines Road and Muskrat Road from Beardsley Road to Stevenson Road north (1.5 miles) - \$122,312

Manager's Report

- Township paving projects will be finished up in October. Primary Road paving will finish after the township work. Wyman Road will be done if time and weather permits.
- We are grading gravels this week.
- Limestone gravel will be finishing up this week and Monday.
- We are interviewed and offered positions to two drivers. Michael Smith will start in Howard City on Monday and the second candidate is still in the physical and drug testing phase.
- Working on revamping the Shop Clerk job description
- Pat, Dennis and I are working on the Primary project list for next summer.
- Farnier Asphalt will begin crack seal in the county in October.
- We will be bidding chloride and blades next month.
- M40 chip seal will be done Thursday with fog seal completed on Monday,
- Superintendent's Conference is next week.
- The truck rodeo is on October 12th in Ottawa County. We are sending two drivers.
- They will be paving the new truck garage parking lot on Friday and Monday.

Moved by Brundage, seconded by Scott, to approve the September 22, 2022, bills totaling \$1,036,437.19 and Payroll #19 totaling \$123,417.56. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

Chairperson

Clerk