

June 20, 2018

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 June 20, 2018

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

The Pledge of Allegiance and a prayer were given.

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

Moved by Scott, seconded by Brundage, to approve the minutes of the June 6, 2018 meeting as presented. Motion carried.

Moved by Scott, seconded by Brundage to approve the following contracts. Motion carried.

Village of Edmore

- Seal/fog seal Forest Street from Maple Street to First Street - \$4,554
- Seal/fog seal Forest Street from First Street to Fifth Street - \$6,268
- Seal/fog seal Maple Street from Pine Street to Forest Street - \$1,908
- Seal/fog seal Moore Street from Main Street (M-46) to Forest Street - \$5,280
- Seal/fog seal Pine/Lewis Street from Fifth Street to Main Street - \$6,232
- Seal/fog seal Charlotte Street from Wyman Road to Fifth Street - \$7,429
- Seal/fog seal Fifth Street from Gilson Street to Main Street (M-46) – 1,876
- Seal/fog seal Fifth Street from Main Street (M-46) to North Street - \$5,439
- Seal/fog seal North Street from First Street to Fifth Street - \$5,155

Village of Howard City

- 180# asphalt overlay on parking lot north of restaurant (formerly Latitudes) - \$7,518
- 180# asphalt overlay on Godfrey Street north of Williams Street - \$4,060
- Seal/fog seal Cherry Street, Ash Street, Godfrey Street, Mulberry Street, Joy Street, Vine Street and Walnut Street - \$32,730

Moved by Brundage, seconded by Scott to approve and sign the Memorandum of Understanding regarding the Signing Bonus, effective July 1, 2018 through June 30, 2022. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

Moved by Scott, seconded by Brundage, to approve and sign the Memorandum of Understanding regarding Comp Time, effective July 1, 2018 through June 30, 2022. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

Moved by Brundage, seconded by Scott, to approve and sign the Collective Bargaining Agreement with AFSCME Local 1071.07, effective July 1, 2018 through June 30, 2022. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

Commissioner Scott offered the following resolution and moved for its adoption:

BE IT RESOLVED THAT the Board of County Road Commissioners of Montcalm County hereby approves Contract No. 18-5324 between the Road Commission for Montcalm County and the Michigan Department of Transportation for:

Chip Seal and fog seal along County Road 595 (Gravel Ridge Road) from Highway M-46 to County Road 530 (Coral Road) and all together with necessary related work.

BE IT FURTHER RESOLVED THAT Dale Linton, Chairman, and Kim Alexander, Finance Director-Clerk, are hereby authorized to sign said contract.

Supported by Commissioner Brundage. Motion carried. Roll call: Yes – Brundage, Scott and Linton.

Commissioner Brundage offered the following resolution and moved for its adoption:

BE IT RESOLVED THAT the Board of County Road Commissioners of Montcalm County hereby approves Contract No. 18-5252 between the Road Commission for Montcalm County and the Michigan Department of Transportation for:

Hot mix asphalt base crushing, shaping and resurfacing work along Stanton Road from Clifford Lake Drive easterly to State Street; including hot mix asphalt cold milling, aggregate shoulder, concrete curb and gutter and pavement marking work; and all together with necessary related work.

BE IT FURTHER RESOLVED THAT Dale Linton, Chairman, and Kim Alexander, Finance Director-Clerk, are hereby authorized to sign said contract.

Supported by Commissioner Scott. Motion carried. Roll call: Yes – Brundage, Scott and Linton.

Commissioner Scott offered the following resolution and moved for its adoption:

WHEREAS, the Municipal Employees Retirement Act authorized the Municipal Employees' Retirement Board ("Board") to establish additional programs including but not limited to defined benefit and defined contribution program (MERS Plan Document Section 72; MCL 38.1536(2)(a)).

WHEREAS, the Board has authorized MERS' establishment of the health care savings program ("HCSP" or "Program"), which a participating municipality or court, or another eligible public employer that constitutes a "municipality" under MERS Plan Document Section 2; MCL 38.1502b(2) ("Eligible Employer"), may adopt for its Eligible Employees.

WHEREAS, MERS has been determined by the Internal Revenue Service to be a tax qualified "governmental plan" and trust under section 401(a) of the Internal Revenue Code of 1986, and all trust assets within MERS reserves are therefore exempt from taxation under Code section 501(a) (IRS Letter of Favorable Determination dated October 8, 2016).

WHEREAS, the Board has established a governmental trust (the "Trust Fund") to hold the assets of the HCSP, which Trust Fund shall be administered under the discretion of the Board as fiduciary, directly by (or through a combination of) MERS or MERS' duly-appointed Program Administrator.

WHEREAS, 1999 PA 149, the Public Employee Health Care Fund Investment Act, MCL 38.1211 et seq. ("PA 149") provides for the creation by a public corporation of a public employee health care fund, and its administration, investment, and management, in order to accumulate funds to provide for the funding of health benefits for retirees and beneficiaries.

WHEREAS, a separate MERS health care trust fund created under PA 149 also constitutes a governmental trust established by an Eligible Employer, provided that all such employers shall be the State of Michigan, its political subdivisions, and any public entity the income of which is excluded from gross income under Section 115 of the Internal Revenue Code; provided further, that the PA 149 trust shall not accept assets from any defined benefit health account established under Section 401(h) of the Internal Revenue Code.

WHEREAS, the Board acts as investment fiduciary for the pooled assets of each MERS participating municipality as defined by the MERS 401(a) Plan Document, on whose behalf MERS performs all plan administration and investment functions, and such participating municipalities and courts have full membership, representation and voting rights at the Annual Meeting as provided under Plan Section 78; MCL 38.1545.

WHEREAS, the Board also acts as investment fiduciary for those participating employers who are non-MERS participating municipalities and courts that have adopted the MERS Health Care Savings Program, Retiree Health Funding Vehicle, or Investment Service Program, and such entities are not accorded membership, representation or voting rights provided to MERS participating municipalities and courts at the Annual meeting under Plan Document Section Document 78; MCL 38.1545.

WHEREAS, adoption of this Uniform Resolution and the HCSP Participation Agreement (the "Uniform Resolution") by each Eligible Employer is necessary and required in order that the benefits available under the MERS HCSP may be extended to the Eligible Employer's employees.

- It is expressly agreed and understood as an integral and nonseverable part of extension or continuation of coverage under this HCSP Resolution that Section 43 of the MERS Plan Document shall not apply to this Uniform Resolution Adopting MERS HCSP, the Participation Agreement, the HCSP Plan Document, the Trust Agreement, and their administration or interpretation.

- In the event any alteration of the language, terms or conditions stated in this Uniform Resolution Adopting MERS HCSP is made or occurs, it is expressly recognized that MERS and the Board, as fiduciary of the MERS Plan and its trust reserves, and whose authority is nondelegable, shall have no obligation or duty to administer (or to have administered) the Trust Fund, or to continue administration.

WHEREAS, concurrent with this HCSP Uniform Resolution, and as a continuing obligation, this governing body has completed, approved, and submitted to MERS documents necessary for participation in and implementation of the HCSP. This obligation applies to any documents deemed necessary to the operation of the Trust Fund by MERS.

NOW, THEREFORE, BE IT RESOLVED that the governing body adopts (or readopts) the MERS HCSP as provided below.

SECTION 1. HCSP PARTICIPATION

EFFECTIVE June 20, 2018, (to be known as the ADOPTION DATE) the MERS HCSP is hereby adopted by the Montcalm County Road Commission:

(A) CONTRIBUTIONS shall be as allowed and specified in the MERS Health Care Savings Program Participation Agreement. Basic Employer Contributions, Mandatory Salary Reduction Contributions, Mandatory Leave Conversion Contributions, and Post-Tax Employee Contributions, shall be remitted pursuant to MERS by the Eligible Employer, and credited to the Eligible Employer's separate fund within the MERS Trust Fund.

(B) INVESTMENT of funds accumulated and held in the Health Care Savings Program Trust Fund shall be held in a separate reserve and invested on a pooled basis by MERS subject to the Public Employee Retirement System Investment Act ("PERSIA"), 1965 PA 314, as provided by MERS Plan Document Section 76; MCL 38.1539, and PA 149.

(C) THE ELIGIBLE EMPLOYER shall abide by the terms of the HCSP, including the HCSP Plan Document, HCSP Trust Agreement, all investment, administration, and service agreements, and all applicable provisions of the Code and other law. It is affirmed that no assets from any defined benefit health account established under Section 401(h) of the Internal Revenue Code shall be transferred to, or accepted by, MERS.

SECTION 2. IMPLEMENTATION DIRECTIONS FOR MERS

(A) The governing body of this Eligible Employer desires that all assets placed in its MERS HCSP Trust Fund (as a sub-fund within all pooled HCSP trust funds with MERS) be administered by MERS, which shall act as investment fiduciary with all powers provided under PERSIA, pursuant to PA 149, all applicable provisions of the Internal Revenue Code and other relevant law.

(B) The governing body desires, and MERS upon its approval of this Resolution agrees, that all funds accumulated and held in the MERS HCSP Trust Fund shall be invested and managed by MERS within the collective and commingled investment of all HCSP funds held in trust for all Eligible Employers.

(C) All monies in the MERS HCSP Trust Fund (and any earnings thereon, positive or negative) shall be held and invested for the sole purpose of paying health care benefits for the exclusive benefit of "Eligible Employees" who shall constitute "qualified persons" who have retired or separated from employment with the Eligible Employer, and for any expenses of administration, and shall not be used for any other purpose, and shall not be distributed to the State.

(D) The Eligible Employer will fund on a defined contribution, individual account, basis its MERS HCSP Trust sub-fund to provide funds for health care benefits for "Eligible Employees" who shall constitute "qualified persons" under the Internal Revenue Code. Participation in and any coverage under HCSP shall not constitute nor be construed to constitute an "accrued financial benefit" under Article 9 Section 24 of the Michigan Constitution of 1963.

(E) The Eligible Employer designates and incorporates as "Eligible Employees" who shall constitute "qualified persons" under this HCSP Resolution those who are "Eligible Employees as defined in the HCSP Participation Agreement under this HCSP.

(F) The Eligible Employer may designate employer contacts who shall receive necessary reports, notices, etc. and shall act on behalf of the Eligible Employer.

Supported by Commissioner Brundage. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

Manager's Report

- The 2nd application of chloride started last week and continues this week.
- Mowing of roadsides is ongoing with MDOT mowing starting last week once we received the go ahead from MDOT.
- Blew a tire on the rental Gradeall on the way home from picking it up. Parts have been ordered and the repair will be made once AIS receives them.
- Chip seal started last week and continues this week. We will take next week off to get caught up on grading for brine and start again after the 4th.
- We will start shoulder graveling Stanton Road next week. Once the lines are painted, it will be complete.
- Cato Township approved two road work contracts at their last meeting. We have not received them yet.
- Two mowers have been purchased for the outside garages. Summer help will mow Greenville and Howard City, Kelly will continue to mow Stanton.
- We were awarded two military trucks this week. Joe is working on getting inspections and then we will decide whether or not we take them.

Engineer's Report

- CR 522A (Dickerson Lake Road / Lake Road) & CR 522 (Stanton Road) project has been paved. Shoulder gravel will be placed next week.
- CR 540 (Lake Montcalm Road) from Douglas Road to East County Line Road was paved last week. Shoulder gravel will be placed next week.
- The overband crack seal contractor has completed their work.
- I began PASER data collection this week with the Michigan Department of Transportation and West Michigan Regional Planning Commission. Our goal is to collect surface condition data on our entire primary system, including gravel roads.
- Kim and I attended an informational meeting in Mt. Pleasant about a new system called Oxcart to process oversize moving and seasonal permits. We were impressed by the system. It is web based and is free for us to use. The cost is paid for by the permit applicant. Six road commissions in Michigan have been using it and are pleased.

Moved by Scott, seconded by Brundage to require all newly hired salaried personnel enroll in the MERS Health Care Savings Plan in lieu of the Retiree Health Insurance Program. Those employees with 10 years or less seniority will also be afforded the opportunity to enroll during the August 2018 open enrollment period. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

Moved by Scott, seconded by Brundage that administrative personnel will receive a pay increase equivalent to the union pay increase on July 1, 2018. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

Moved by Scott seconded by Brundage, to approve the June 21, 2018 bills totaling \$577,147.62 and Payroll #13 totaling \$98,488.68. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

There being no further business to come before the board, the meeting adjourned at 9:45 a.m.

Chairman

Clerk