

September 26, 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 September 26, 2018.

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

The Pledge of Allegiance and a prayer were given.

Moved by Scott, seconded by Brundage, to open the public hearing for the purpose of reviewing the proposed 2019 General Appropriations Budget at 9:00 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 2019 to be considered on September 26, 2018. We are predicting an addition of \$17,921 to fund balance at the end of 2019.

REVENUES – Budget Amount: \$18,926,883

Michigan Transportation Funds – We budgeted an increase of \$1,150,000 at \$9,881,254 in the MTF payments. This number was estimated with the assistance of CRA of Michigan. This is taking into consideration the increases to the MTF and the special revenue payment that is being paid through the formula.

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

- 1.) Stanton Road Project – the balance of the project from last year. We will have a good amount of work done during the 2018 construction season but will not finish the project until October so we will carry this project forward into 2019.
- 2.) Wise Road Bridge - Replace
- 3.) Wise Road Paving
- 4.) Wise Road Bridge Approaches
- 5.) 582 from HC Village Limits to US 131 ramp – Mill and fill

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 \$1,100,000. 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: \$18,908,962

Road and Bridge Maintenance (Routine, Preventive and Winter) – We have budgeted close to estimated 2018 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 an unknown so it was increased to \$450,000 but can be adjusted after winter.

Capital Outlay – This year we have budgeted \$1,300,000 for capital outlay. We are purchasing Foreman trucks, three new Peterbilt trucks with equipment, a Cat loader for Stanton and paying off Greenville's Cat loader. Decisions on the remaining purchases will be made after the harshness of winter has been determined.

Interest – We have budgeted \$610,214 for the annual principal and interest payments on the trucks and equipment purchased over the last few years. The first loan for trucks and equipment was paid off in 2018. The subsequent truck and equipment loan will be paid off in the fiscal year 2020. The Stanton Cat loader will be paid off in October, before we lease the

new Cat loader for Greenville. This new loader will be financed for five years and the details are in the process of being worked out.

Moved by Brundage, seconded by Scott, to close the public hearing at 9:16 a.m. Motion carried.

Ed Carter of Pearl Street in Crystal was present to ask for an encroachment in the right-of way permit for his privacy fence. The fence is already up and the road commission sent a letter in August asking for it to be removed due to it being a safety hazard as a vision obstruction. Mark and Pat will meet with Mr. Carter early next week to see if they can come up with a fair compromise.

Bill Drews of 2076 Gravel Ridge Road was present to ask questions about mowing, pesticide application, vegetation control around signs and tree removal. Mark explained our procedures and methods and explained that service requests can be submitted on our website if he comes across signs that are obstructed by vegetation and would like to notify the road commission.

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

Moved by Scott, seconded by Brundage, to approve the minutes of the September 5, 2018 meeting as presented. Motion carried.

Motion by Brundage, seconded by Scott, to approve the year ending 9/30/18 General Appropriations Budget estimated at \$16,765,500 plus estimated year-end operating funds of \$1,118,372.94 Roll call: Brundage-yes, Scott-yes and Linton-yes. Motion carried.

Motion by Scott, seconded by Brundage to adopt the year ending 9/30/19 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 and Linton-yes. Motion carried.

Motion by Brundage, seconded by Scott 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, 2018. Roll call: Brundage-yes, Scott-yes and Linton-yes. Motion carried.

Moved by Scott, seconded by Brundage, to approve the trap rock renewal at last year's price from Fisher Transportation. Roll call: Brundage-yes, Scott-yes and Linton-yes. Motion carried.

Manager's Report

- Township jobs are wrapping up and there is a handful left.
- We are grading gravels when weather permits and mowing when time allows.
- Chip/fog sealing is done for the year. We are currently in the process of cleaning the tar off equipment.
- Slag prices will remain the same for next construction season.
- Had quarterly meeting with the CRA negotiating committee yesterday in Lansing. Salt shed needs were discussed.
- One of the newly built Peterbilt trucks will be ready to be outfitted at Truck & Trailer. Specialties on Monday. The second truck is close behind. The third truck has yet to be built.
- We will have a have a sample policy put together by CRA in October. We will look at it and see if it needs to be tweaked. We must approve a policy by 2020.
- We are bidding chloride for next year. Bids are due on October 8th.
- Village of Sheridan would like to purchase our old crack seal machine for \$500.
- We will need to start thinking about township meetings. We will discuss dates at our October 10 meeting.

- We will soon be posting the Night Patrol position.

Engineer's Report

- The CR 522 (Stanton Road) project from Clifford Lake to Stanton is progressing. All the concrete curb is in place. The contractor has the base crushing and shaping complete for Phase I which is from Clifford Lake Drive to Nevins Road (south). The paving contractor has the base course on from Clifford Lake Drive to West Shore Drive. The base course from West Shore Drive to Nevins Road (south) will be placed on Friday. The Phase I detour will be opened and the Phase II detour from Nevins Road (south) to M-66 will be in place.
- The MDOT paving project on M-46 between M-91 and Miles Road is complete. Our forces prepared the passing flare at Lake Road and the contractor paved it. There were some challenges, but the result is a safer road for the public.
- MDOT had requested some shoulder widening work for maintenance purposes on M-66 north of M-46. A paving contractor along with our forces milled, graded and paved 8' wide shoulders along M-66 north and south of Cutler Road and at North County Line Road. These areas were gravel shoulders which continually needed maintenance caused by traffic running off the paved surface in the curve areas.
- CR 530 (Coral Road) from M-66 to CR 571 (Wyman Road) is being graded and will be paved on October 4 & 5
- Our concrete contractor will place curb and gutter at CR 530 (Kendaville Road) and Main Street on Thursday. This is in conjunction with the Pierson Township project to pave Main and Lake Streets at Little Whitefish Lake. The curbs will help with drainage issues at that intersection.

Moved by Brundage, seconded by Scott, to approve the September 13, 2018 bills totaling \$820,687.23, the September 27, 2018 bills totaling \$535,745.25, Payroll #19 totaling 104,556.01 and Payroll #20 totaling \$111,258.94. Roll call: Brundage-yes, Scott-yes and Linton-yes. Motion carried.

There being no further business the meeting adjourned at 10:15 a.m.

Chairman

Clerk