

September 27, 2023

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 27, 2023.

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 Brundage, seconded by Scott to approve the minutes of the September 6, 2023, meeting as presented. Motion carried.

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

Moved by Brundage, seconded by Scott, to open a public hearing for the 2024 General Appropriations Budget at 9:01 a.m. Motion carried.

REVENUES – Budget Amount: \$18,069,470.99

Michigan Transportation Funds – We budgeted a nominal increase of \$57,541.43 at \$11,391,800.99 in the MTF payments. This number was taken from the Michigan Treasury ORTA (Office of Revenue & Tax Office) estimate from February of 2023.

State and Federal Aid – We have budgeted State and Federal aid for the following projects proposed for 2024. The local match on all projects totals \$96,250.

- 1.) Youngman/Chase/Harlow – Repaving
- 2.) Crystal Road – Safety Project – Repaving

The remainder of our Federal Aid dollars will be sold to MDOT for \$.90 on the dollar. This amount should total \$1,143,000.00.

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 \$1,300,000. 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 budgeted a smaller 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: \$18,081,663.28

Road and Bridge Maintenance (Routine, Preventive and Winter) – We have budgeted close to estimated 2023 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 cost of fuel has been rising the last couple of years, so we did bump fuel up to \$700,000 this year.

Capital Outlay – This year we have budgeted \$1,483,000 for capital outlay. Mark will detail his plans for this money.

Interest – We have budgeted \$648,513.28 for our annual principal and interest payments. This includes \$429,870.67 for our road work note payment and the new truck garage payment of \$218,642.61. The road work will be paid off on March 29, 2026, and the truck garage on April 1, 2037.

Notes:

Truck Garage – We took a loan for \$2,750,000 from Isabella Bank. In 2022 we spent \$1,676,955.98 on building costs. In 2023 we spent \$1,828,046.43. This brings the total cost of the building to \$3,505,002.41. The budgeted \$500,000 of our funds and \$500,000 of the

county ARPA money toward the project in 2023. This leaves \$244,997.59 not spent on construction.

MBIA Account Interest – Our two investment accounts with MBIA (ARPA \$ and Building \$) are paying quite well. In 2023, we accrued quite a bit of interest. The total interest we were paid will be over \$150,000 in 2023. We have left most of our extra funds in the MBIA account and will continue to leave it as cash flows allow.

Moved by Scott, seconded by Brundage to close the public Hearing at 9:18 a.m. Motion carried.

Motion by Scott, seconded by Brundage to adopt the year ending 9/30/24 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, Linton-yes. Motion carried.

Motion by Brundage, seconded by Scott, to approve the year ending 9/30/23 General Appropriations Budget estimated at \$27,727,955. plus estimated year-end operating funds of \$1,900,000. Roll call: Brundage-yes, Scott-yes, 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 Scott, seconded by Brundage, to accept and file bids received for scraper blades. Roll call: Brundage-yes, Scott-yes, Linton-yes.

#### Manager's Report

- Gravel roads are in fair condition. We are grading this week.
- We are working on paved road shoulders all month.
- Mowing is done countywide. We will mow the trunklines again in areas that we have trouble with blowing snow.
- Will be sending five drivers to Gratiot County for defense driving MCRCSIP training.
- The sod loader is working in Newaygo County.
- We are keeping the 6-4 summer schedule until we switch to 8-hour days instead of switching back to 6:30-4:30.
- Will be renting the Maple Valley Township barn for one more year until we can get the work done on the old garage.
- Will be meeting with the local and rural task forces in the next few weeks.
- MDOT has decided to pay the jurisdictional transfer this year. There is much going on behind the scenes and we hope to have a resolution to this issue.
- Ranger Power signed the Road Use Agreement for a solar project in Day Township.
- There is a right-of-way issue at the corner of Johnson Road and Baker Road. We are working through it and have sent it on to Bill Henn for his guidance.
- MERS Conference is this week. Joe, Levi and Phil will be attending.

#### Engineering Report

- The paving contractor was here last week and 3 days this week. We are 78% done with 18,330 tons to go (approximately 9 more paving days). We are scheduled for October 12 through October 23.
- The CR599 (Federal Road) safety project is almost complete. It was paved wide shoulders, new guardrail, shoulder corrugations, new signage and pavement markings.
- The Federal Aid primary roads have been rated per TAMC. We will continue and rate the remaining primary roads and all the local paved roads in the next month. This data will be submitted to the Michigan Transportation Asset Management Council.

Moved by Scott, seconded by Brundage, to approve the September 21, 2023, bills totaling \$413,627.66 and Payroll #19 totaling \$133,810.21. Roll call: Yes – Brundage, Scott and Linton. Motion carried.

With no further business to come before the board, the meeting was adjourned at 10:03 a.m.

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Chairperson

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Clerk