

The Menominee County Board of Road Commissioners held a regular meeting in their offices north of Stephenson on Tuesday, July 10, 2018.

Chair Kakuk called the meeting to order at 9:00 a.m. with the following persons present or absent:

Present: William Anderson, Anthony Kakuk, Kenneth Kline, Darrell Moilanen and Lisa Savord. Also present were Charlene Peterson, Nancy Helgren, Chuck Behrend, Larry Phelps, Joe Linder, Larry Barker, Dana Dziedzic, Brett Hebert and Lisa Hammerberg.

Absent: None.

Public comments – None.

Public appearances – None.

Additions/corrections to minutes for 06/05/18 – There being no comments or questions, Kakuk declared that the minutes will stand as written.

Financial Report –

	Receipts	Expenditures	Payables / Reserves	Balances
Balance, June 4, 2018				\$3,806,377.56
Receipts thru 06/30/18	113,295.44			
Expenditures thru 06/30/18		491,375.15		
Balance, June 30, 2018				\$3,428,297.85
Michigan Transportation Funds	453,488.81			
Receipts thru 07/09/18	0.00			
Expenditures thru 07/09/18		0.00		
Set aside for purchase of graders in 2020			300,000.00	
State Maint. & Equip. Advances			117,995.00	
Balance, July 9, 2018	566,784.25	491,375.15	417,995.00	3,463,791.66
<u>Payables & Reserves</u>				
Payroll 07/12, and 07/26 (Est.)			150,000.00	
Soc. Sec. 07/12 and 07/26 (Est.)			11,475.00	
Reserve for workers compensation insurance			9,380.58	
Reserve for liability insurance			23,279.50	
Reserve for rental grader leases - John Deere (Oct 2015)			76,334.00	
Reserve for rental grader leases - Cat Financial (Dec 2015)			258,940.23	
Reserve for Forest Funds			193,630.35	
Reserve RR X'ing closure funds for Meyer Twp. projects			178,730.75	
Reserve for Federal Aid Match for No. 5 Rd. Bridge			727.75	
Reserve for Federal Aid Match for No. 10 Ln. Bridge			1,198.86	
Reserve for Federal Aid Match for CR360 project			28,200.00	
Reserve for 20% share of BIA County Line Road project			291,238.16	
Reserve for Construction Engineering for No. 5 Rd. & No. 10 Ln. Bridges			4,864.84	
Reserve for Construction Engineering for CR360			65,327.44	
Reserve for Design Engineering for C-1 Road Bridge			9,139.90	
Reserve for Scour Protection bid documents & oversight			1,512.96	
Reserve for Design Engineering for CR 400			2,035.25	
Reserve for Office Tech services for 2018 chipseal projects			610.26	
Reserve for Construction Inspection on 2018 chipseal projects			2,772.13	
Reserve for Concrete Box Culvert - CR358			88,200.00	
Reserve for Bridge scour protection			22,986.50	
Reserve for Shakey Lakes Culvert Repair			438,000.00	
Reserve for Fuel Station Equipment upgrade			1,500.00	
Reserve for Salt Spreader Support Frames			13,550.00	
Reserve for Menominee Shop Lighting upgrades			20,250.00	
Reserve for 2018 Culvert needs			0.00	
Reserve for Capital Outlay - 3 Pickup Trucks			120,507.00	(2,014,391.46)
				\$1,449,400.20

There being no comments or questions, Kakuk declared the financial report will stand as written.

Vouchers # 18-0041, 18-0043, 18-0045 and 18-0630 – Moved by Kline, seconded by Anderson that the vouchers be approved and ordered paid. Carried unanimously.

Open bids for CR358 over Big Brook culvert installation – Bids were opened and read aloud as follows:

Bacco Construction Co, Iron Mountain, MI	\$219,500.00
Hebert Construction Co, Iron River, MI	\$169,777.00

Moved by Anderson, seconded by Kline to award to the low bidder, Hebert Construction Co. Carried unanimously.

Permission to bid tilt bed trailer – Moilanen asked for permission to get quotes or bids on a 24' tilt bed trailer with a 40,000 – 50,000 lb. capacity. Moved by Anderson, seconded by Kakuk to have Moilanen go out for the bids/quotes. Carried unanimously.

Update on Shakey Lakes Dam project – Moilanen advised that the contractor, Hebert Construction Co, had offered a new option to get the culverts relined without dropping the lake level. They would drive in sheet piling for a cofferdam, then pump out the excess water and reline the draw down pipe and three of the dam pipes at one time. The cofferdam would then be relocated to the other half of the dam so that the remaining 3 pipes could be relined. The additional cost for this option would be \$73,400. A road closure and detour would also have to be designed by a consultant and signs setup at an additional cost. Moved by Anderson to go ahead with the project as originally planned, with no additional costs. The motion died for lack of a second. Moved by Kakuk, seconded by Kline to approve the optional work at the proposed cost of \$73,400 plus the cost for the detour. Motion carried by a 2 to 1 vote: Kakuk & Kline voted yes; Anderson voted no.

Discuss/approve Application for Waiver & Plan for defined benefit pension – Moilanen explained that under Public Act 202 of 2017 any local unit of government with an aggregate funding level of less than 60% for their defined benefit pension plans could apply for a waiver of the determination of underfunded status. Per the MERS actuarial report for calendar year ending 12/31/16, the road commission's defined benefit plans had an aggregate funded level of 61%, however the Michigan Department of Treasury audit placed the funding level at the 09/30/17 end of the fiscal year at 58.3%. The MERS actuarial report for calendar year ending 12/31/17 shows a funded level of 66%. The road commission has closed all defined benefit pension plans to new hires effective 01/01/16. Moved by Anderson, seconded by Kline to approve Form 5583 – Application for Waiver & Plan as prepared. Carried unanimously.

Discuss/pass resolution to adopt updated Investment Policy –

It was moved by Commissioner Kakuk that the following resolution be adopted:

WHEREAS, pursuant to the provisions of Act No. 20 of the Public Acts of Michigan of 1943, as amended, (“Act 20”), the Board of Road Commissioners of Menominee County may authorize the County Treasurer to invest County Road funds in certain investments; and

WHEREAS, This Board wishes to authorize such investments as are permitted by Act 20; and

WHEREAS, Section 5 of Act 20 requires this Board of Road Commissioners, in conjunction with the County Treasurer, to adopt an investment policy which complies with the provisions of Act 20; and

WHEREAS, the County Treasurer has submitted a proposed Investment Policy which complies with the provisions of Act 20.

NOW, THEREFORE BE IT RESOLVED that the Menominee County Board of Road Commissioners hereby authorizes that:

1. The Investment Policy attached hereto is approved and shall take effect on July 11, 2018.
2. The Menominee County Treasurer is authorized to invest funds of the Menominee County Road Commission pursuant to the Investment Policy.
3. Before executing an order to purchase or trade funds of the Menominee County Road Commission, the financial intermediary, broker, or dealer shall be provided with a copy of the Road Commission's Investment Policy and shall acknowledge receipt of the Investment Policy and agree to comply with the terms of the Investment Policy regarding buying or selling of securities by signing the attached form.

4. The Menominee County Treasurer shall provide annually a written report to the Menominee County Board of Road Commissioners concerning the investment of the funds.
5. The Menominee County Treasurer is authorized to rely on the continuing effect of this resolution until and unless it is specifically amended or rescinded by a future resolution of the Menominee County Board of Road Commissioners.
6. This resolution supersedes all previous resolutions, parts of resolutions, and Menominee County Road Commission Board Policy inconsistent with this resolution or with state law, and this resolution shall take effect immediately.

This resolution was seconded by Commissioner Kline and carried by the following vote:
Ayes 3; Nays 0.

Update on GPS units in MCRC vehicles – Moilanen advised that he and Savord had met with Verizon Wireless to discuss their GPS product for monitoring vehicle locations. This would be a good product to have in the winter months to help address phone calls regarding location of the plows and when they would get to a particular area. There are still unanswered questions regarding whether the road commission would need to make a 12 month commitment to the plan or not. Discussion was held regarding delaying the decision for now. It will be looked at again later this fall.

Any other business – Moilanen asked that a special meeting be held to open the bids for the L-3 Road paving project in Daggett Township and for a used fork lift for the Powers shop. The special meeting will be scheduled for Tuesday, July 24, 2018 at 9:00 a.m.

Moilanen advised the board that there was an issue with the crack filling in about 300' of the north bound lane of Lindstrom Lane in the Village of Carney. For some reason the product is not drying up as it should, causing it to stick to vehicle tires and be pulled back out of the cracks, in some cases bringing pieces of the pavement with it. Barrels have been placed in the area and it will be checked again soon.

Moilanen updated the board on the change in dates for the inspection of the Bagley radio tower. It will now be done during the week of July 23rd at a cost of \$4,950, which will be shared by the county board and the road commission. Moilanen had also received a request from the 911 Director to have the locks changed on the tower gate and building. A touch-pad type lock will be used for the building.

Moilanen requested permission to hire a consultant for DEQ permits and to design the detour for the Shakey Lakes Dam project. Moved by Anderson, seconded by Kline to grant permission to hire the consultants. Carried unanimously.

Moilanen advised that he would need to get quotes/bids to pulverize various roads within the county and noted that Iron City would be moving into the Kirschner pit on LaBelle Road to crush limestone in the next 2-3 weeks.

Anderson asked about the mowing on the highways in the north end of the county. Moilanen advised that MDOT had approved hiring a contractor to mow M-35 and US 2 and that our crew was mowing US41.

Kline advised that the concrete on one of the pillars on the No. 10 Lane bridge was cracking and flaking. Moilanen stated that the final inspection of the bridge was scheduled later this week and the contractor would be advised to make any necessary repairs at that time.

Kakuk asked how things were going on the repairs to all the gravel washouts. Moilanen stated that the crews were still working on them and also gave an update on the possibility of FEMA funding for some of the work. Kakuk also noted that a lot of the radiuses were washed out. Moilanen stated that the graders have been out working on these.

Larry Phelps thanked the road commission for considering the concerns of the citizens when making the decision on how to proceed with the Shakey Lakes Dam project.

Public Comment – Dana Dziedzic asked when the detour for the Shakey Lakes dam project would be in place. Moilanen replied that would depend on when Hebert Construction can start the project.

Joe Linder asked when the rebuild on 34 Road would be started. Moilanen stated that the recent storms have put everything about 3 weeks behind schedule and that the 3-Way Road Funding projects were going to be worked on first.

Moilanen stated that the Village of Carney would putting limestone down on their portion of Lickman Road and asked Mr. Linder if Nadeau Township would like to have a section of the road in Nadeau Township done at the same time. Mr. Linder responded that they would.

Joe Linder asked if the graders would be out before dust control is applied and when the dust control would be available. Moilanen advised that the dust control vendor was having trucking issues and were behind schedule with deliveries. Mr. Linder noted that the portion of Nadeau Township that was serviced by the Powers district had already been graded, but that the portion serviced by the Stephenson district hadn't been started yet. Moilanen explained that most of the recent storm damage had occurred in the Stephenson district which has put that crew behind schedule.

Joe Linder advised that J-1 Road may need gravel. Moilanen will have the foreman look at it next week.

Charlene Peterson thanked the road commission for their decision on the Shakey Lakes dam and for moving forward with the project.

There being no further business, Kakuk declared the meeting adjourned at 9:49 a.m.

Road Commission Finance Director / Clerk

Chair