

The Menominee County Board of Road Commissioners held a PUBLIC HEARING in their offices north of Stephenson on Tuesday, September 4, 2018.

Chair Kakuk called the hearing to order at 8:45 a.m. with the following persons present or absent:

Present: William Anderson, Anthony Kakuk, Kenneth Kline, Darrell Moilanen and Lisa Savord. Also present were Dana Dziedzic and Larry Phelps.

Absent: None

The Pledge of Allegiance was recited.

Kakuk turned the meeting over to Moilanen who explained that the purpose of the hearing was to hear questions and comments regarding the proposed budget for the 2018/2019 fiscal year. Moilanen briefly reviewed several line items including projected projects and revenues and items that were carried over from the previous budget, as well as proposed capital outlay.

Moilanen called for any further questions or comments about the proposed 2018/2019 budget. Dana Dziedzic asked if the road commission would be requesting any Hannahville 2% Grant funds for any projects. Moilanen responded that the road commission would be applying for 2% grant funds to use toward equipment needs and added that the BIA currently has a project on County Line Road.

Larry Phelps asked if any more work was scheduled for No. 19 Road. Moilanen replied that it was in the current year's budget.

Moilanen called a second time for questions or comments about the proposed 2018/2019 budget. Moilanen called a third time for questions or comments about the proposed 2018/2019 budget.

There being none, the hearing was closed at 8:52 a.m.

Road Commission Finance Director/Clerk

Chair

The Menominee County Board of Road Commissioners held a regular meeting in their offices north of Stephenson on Tuesday, September 4, 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 Dana Dziedzic, Larry Phelps, Joe Linder and Charlene Peterson.

Absent: None

Public comments – None.

Public appearances – None.

Additions/corrections to minutes for 08/14/18 – There being no additions or corrections, Kakuk declared the minutes will stand as written.

Financial Report –

	Receipts	Expenditures	Payables / Reserves	Balances
Balance, August 13, 2018				\$3,804,445.91
Receipts thru 08/31/18	158,751.82			
Expenditures thru 08/31/18		245,265.86		
Balance, August 31, 2018				\$3,717,931.87
Michigan Transportation Funds	393,477.46			
Receipts thru 09/03/18	0.00			
Expenditures thru 09/03/18		0.00		
Set aside for purchase of graders in 2020			300,000.00	
State Maint. & Equip. Advances			117,995.00	
Balance, September 3, 2018	552,229.28	245,265.86	417,995.00	3,693,414.33

<u>Payables & Reserves</u>			
Payroll 09/20, and 10/04 (Est.)		150,000.00	
Soc. Sec. 09/20 and 10/04 (Est.)		11,475.00	
Reserve for workers compensation insurance		28,111.74	
Reserve for liability insurance		55,427.50	
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		723.07	
Reserve for Federal Aid Match for No. 10 Ln. Bridge		1,602.98	
Reserve for Federal Aid Match for CR360 project		24,600.00	
Reserve for Federal Aid Match for Chipseals		57,146.67	
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		429.84	
Reserve for Construction Engineering for CR360		37,550.19	
Reserve for Design Engineering for C-1 Road Bridge		6,942.40	
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		190.26	
Reserve for Construction Inspection on 2018 chipseal projects		2,772.13	
Reserve for Concrete Box Culvert - CR358		88,200.00	
Reserve for L-3 Road paving		138,883.25	
Reserve for Big Brook Creek box culvert installation		169,177.00	
Reserve for Bridge scour protection		22,986.50	
Reserve for Shakey Lakes Culvert project		511,400.00	
Reserve for DEQ Permit submittal for Shakey Lakes Culvert project		1,197.72	
Reserve for Construction inspection on Shakey Lakes Culvert project		18,221.00	
Reserve for DEQ Permits for various culverts		18,450.00	
Reserve for second mowing on county road system		40,309.20	
Reserve for HMA base crushing		22,247.48	
Reserve for Fuel Station Equipment upgrade		1,500.00	
Reserve for Salt Spreader Support Frames		13,550.00	
Reserve for Capital Outlay - 3 Pickup Trucks		120,507.00	(2,546,022.63)
			<u>\$ 1,147,391.70</u>

There being no questions or comments, Kakuk declared the financial report accepted as read.

Vouchers # 18-0055 and 18-0831 – Moved by Anderson, seconded by Kline that the vouchers be approved and ordered paid. Carried unanimously.

Act on proposed 2017/2018 Budget and general Appropriations Act –

GENERAL APPROPRIATIONS ACT

Moved by Commissioner Anderson, seconded by Commissioner Kline, that the 2018/2019 Menominee County Road Fund Budget, as prepared according to the General Appropriations Act of 1981, having been subjected to the public hearing process and conforming to the other provisions of P.A. 621 of 1978, be adopted and that a copy of said budget be made a part of the minutes of this meeting.

Menominee County Road Commission			
FISCAL 2018/2019 RECOMMENDED BUDGET			
	FY 2016/2017	FY 2017/2018	Budget 2018/2019
	<u>Actual Prior</u>	<u>Estimated</u>	<u>Recommended</u>
<u>REVENUES</u>			
Mich. Transportation Funds	\$4,530,436	\$4,810,738	\$5,605,055
Special State Funds	278,142	1,145,909	265,262
Federal Funds	1,124,245	1,422,918	1,441,735
County Raised Funds	1,587,804	1,353,000	1,145,458
Gain/Loss Equip. Disposal	(427)	325,155	0
Other Contributions	0	30,000	0
TOTAL REVENUES	<u>\$7,520,200</u>	<u>\$9,087,720</u>	<u>\$8,457,510</u>

<u>EXPENDITURES</u>			
Primary Roads	2,231,819	4,326,377	3,003,465
Local Roads	3,273,733	2,345,397	2,633,456
State T/L Maintenance	713,518	706,000	680,000
TWA/Other T/L Maintenance	45,291	65,000	9,000
Equipment Expense (Net)	(289,513)	(140,000)	(80,000)
Administrative Expense (Net)	425,046	237,000	272,000
Distributive Expense	0	1,535,000	1,664,750
Capital Outlay (Net)	161,371	485,000	561,000
Miscellaneous	86,313	86,313	86,313
Special Projects	0	0	0
Contingencies	0	0	0
TOTAL EXPENDITURES	<u>\$6,647,578</u>	<u>\$9,646,087</u>	<u>\$8,829,984</u>
	YEAR END		
Budgeted Net Revenue (Expenditures)	9/30/2019		<u>(\$372,474)</u>
	YEAR END		
Current Estimated Operating Surplus (Deficit)	9/30/2018	(\$558,367)	
	DATE		
Accumulated Avail. Surplus (Deficit)			
from Prior Yrs.	9/30/2017	<u>\$4,588,033</u>	
	9/30/2018	<u>\$4,029,665</u>	
Projected Surplus at End of Budget Year (2018/2019)			<u>\$3,657,191</u>

For the purpose of administering the General Appropriations Act in accordance with the provisions of Public Act 2 of 1968, as amended, the following provisions are included:

1. Darrell W. Moilanen, Engineer – Manager, is designated Chief Administrative Officer, and Lisa K. Savord, 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 Act to another line-item without prior approval, but subject to approval of the Board of County Road Commissions at their next regular Board Meeting.
3. The expenditure amount approved in this General Appropriations Act for Distributive Expense shall be allocated to the various other expenditure line-items in the proportion as the allocation of actual Distributive Expense at year end.

MOTION APPROVED by roll call vote, 3 ayes, 0 nays.

Award bid for dual wheel tilt bed trailer – Moilanen advised that a bid had been received from Redi Haul Trailers for \$25,761.44 for a 30,000# trailer that meets all of the bid spec’s. Miller-Bradford & Risberg submitted a bid for \$27,195.00 for a 40,000# Towmaster trailer that met all other bid spec’s. Moved by Kakuk, seconded by Kline to purchase the heavier Towmaster trailer for \$27,195.00. Carried unanimously.

Permission to go out for bids/quotes for Capital Outlay items per budget – Moilanen explained that the 3 new trucks that were in the budget could take a year or longer to receive, so the sooner the bids were advertised for, the better. Moved by Anderson, seconded by Kakuk to have Moilanen start the bid process on the equipment purchases that are included in the 2018/2019 budget. Carried unanimously.

Permission to go out for bids for cutting edges for moldboard assemblies – Moved by Kakuk, seconded by Anderson to have Moilanen advertise for the bids. Carried unanimously.

Discuss Hannahville 2% Grant submittal – Moilanen stated that the equipment used for brooming is in need of replacement and the cost to replace one of them would be approximately \$60,000 to buy new or \$45,000 to buy a used one. Moved by Anderson, seconded by Kakuk to apply for \$20,000 in 2% funds to be used toward the purchase of a broom. Carried unanimously.

Discuss request from Daggett Township to split payment for paving L-3 Road, into 2 payments – Moved by Anderson, seconded by Kline to allow Daggett Township to pay \$61,744.77 at the completion of the project, and the remaining \$61,744.77 in one year. Carried unanimously.

Discuss storm damage pipes on G-12/Jimtown Road – Moilanen explained that there were 4 larger culverts that need to be replaced due to the June 16-18 storms. Three are on G-12 and the fourth is at the intersection of Jimtown Road and G-12. The cost to replace all four is estimated to be \$37,000. There is a possibility that some or all of the cost could be submitted for Federal Aid funds, but the process could take several months to complete and the pipes should be replaced before winter. Moved by Kakuk, seconded by Anderson to use road commission funds to make the repairs yet this fall. Carried unanimously.

Update on FEMA grant submissions – Moilanen advised that the road commission was able to submit approximately \$160,000 in damages. If all is approved we would receive reimbursement of up to 75% of those costs. A second grant request was submitted to receive an additional 5% to cover administrative work. The only thing that still needs to be submitted is a response from MI DEQ regarding a culvert washout repair that was done.

Any other business – Larry Phelps asked for an update on the Shakey Lakes Dam project. Moilanen advised that the contractor had some problems with the grouting, but that they hoped to have that done today. They then need to wait 3 days for the grout to setup, after which it is tested. If the grouting passes the testing, the project could be backfilled on Saturday. Mr. Phelps asked if gravel would then be added to bring the road back to grade. Moilanen responded that there would be sand put down, then geogrid, then gravel. The portion of the road that was removed for the project would also need to be paved.

Kakuk asked if there were any updates on the radio tower. Moilanen replied that the initial inspection was done, but that it had been forwarded to an engineering firm for an opinion and that had not been received yet.

Public Comment – Charlene Peterson stated that some residents felt that the guardrail on the Shakey Lakes dam was too low. Moilanen stated that it may be low but that there had not been any reportable accidents in the area.

Ms. Peterson stated that it was rumored that the road commission had made a deal behind closed doors with Aquila Resources regarding the roads near the mine. Moilanen stated that there had been no such deal and that Aquila had not yet made any formal request regarding any action they want to take regarding roads.

Joe Linder asked when the road commission would be hauling the limestone that was being crushed on LaBelle Road. Moilanen responded that the crushing was not yet complete and that the roads where the road commission would be using the limestone had not yet been pulverized. Mr. Linder stated that Nadeau Township was having 11,000 cyds. of limestone crushed and if the road commission did not have the time to haul it, they would like to know if they can hire a private contractor to haul it. Moilanen stated that the trucking rate for the 3-way program was \$6.64 cyd, and that any cost above that would be the responsibility of the township.

Larry Phelps advised that the water supply to the back storage building at the road commission's Menominee shop was on the same line as the mobile home park, and that if the water had to be turned off to the park, the road commission would be out of water as well.

Joe Linder asked how thick the road commission recommended to lay limestone and how much would be needed per mile. Moilanen responded that to lay 5" of limestone on a 20' wide roadway would take approximately 1600 cyds per mile.

Charlene Peterson asked for an estimate of when the paving would be done on the Shakey Lakes dam. Moilanen stated that he wasn't sure because the Operating Engineers situation with MITA could affect the work.

There being no further business, Kakuk declared the meeting adjourned at 9:44 a.m.