

The Menominee County Board of Road Commissioners held a regular meeting in their offices north of Stephenson on Tuesday, January 14, 2020.

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

Present: Kenneth Bower, Anthony Kakuk, Kenneth Kline, Darrell Cass, Darrell Moilanen, and Lisa Savord. Also present were Roger Tourangeau Jr., Linda Otradovec, Dale Otradovec, Mike Foley, Jeffrey Budish, Joseph Korch, Thomas Philipps, Charlene Peterson, Alex Jorasz, Dana Dziedzic, Larry Barker, Larry Phelps, and Lowell Bengry.

Absent: None

The Pledge of Allegiance was recited.

Public comments – Jeffrey Budish voiced concerns about the venue and time for the River Road Abandonment hearing. He asked if the hearing time could be changed to 5 or 6 pm and be held at a larger meeting room to allow people that work during the day to attend. Cass thanked Mr. Budish for his input and stated that the hearing was currently still scheduled to be held at 9 am on March 24, 2020 at the road commission office and that it would be up to the road commissioners if they want to reschedule for a different time and/or place. Moved by Kakuk, seconded by Kline to table this topic for further discussion. Carried unanimously.

Roger Tourangeau Jr. stated that he lives on D-1 Road and that it has not been getting plowed as early this year as in the past, sometimes not until the 3<sup>rd</sup> day following a storm. He also asked if the road commission crew could start earlier in that area as most residents work on eastern time. Cass responded that the road commission and Menominee County are located in and operate on the central time zone, but typically do start earlier on snow event days. Cass also stated that the paved portion of the road is typically first priority and should be plowed on day one of a storm, but that on the big Thanksgiving and early December storms the crew could not keep up with the usual schedule. Cass will discuss this with the district foreman.

Public appearances – None.

Additions/corrections to minutes for 12/11/19 and 01/02/20 – There being no questions or comments, it was moved by Kline, seconded by Kakuk that the minutes will stand as written.

Financial Report –

	Receipts	Expenditures	Payables / Reserves	Balances
Balance, December 10, 2019				\$3,624,073.68
Receipts thru 12/31/19	214,418.80			
Expenditures thru 12/31/19		551,670.84		
Balance, December 31, 2019				\$3,286,821.64
Michigan Transportation Funds	431,654.51			
Receipts thru 01/13/2020	157,553.79			
Expenditures thru 01/13/2020		507,803.98		
Set aside for purchase of graders in 2020			1,200,000.00	
State Maint. & Equip. Advances			251,973.00	
Balance, January 13, 2020	803,627.10	1,059,474.82	1,451,973.00	1,916,252.96
<u>Payables &amp; Reserves</u>				
Payroll 01/23 and 02/06 (Est.)			175,000.00	
Soc. Sec. 01/23 and 02/06 (Est.)			13,387.50	
Reserve for workers compensation insurance			17,152.72	
Reserve for liability insurance			94,169.25	
Reserve for rental grader leases - John Deere (Oct 2015)			38,167.00	
Reserve for rental grader leases - Cat Financial (Dec 2015)			86,313.41	
Reserve for Forest Funds			161,010.93	
Reserve RR X'ing closure funds for Meyer Twp. projects			199,788.35	
Reserve for Federal Aid Match for CR360 project			12,000.00	
Reserve for Federal Aid Match for CR400 project			6,923.64	

Reserve for Federal Aid Match for C-1 Bridge		1,347.09	
Reserve for Construction Engineering for C-1 Bridge		0.00	
Reserve for Construction Engineering for CR400		4,194.74	
Reserv for Design Engineering for No. 29 Road Bridge		57,139.76	
Reserve for LaBelle Road pavement inspection/testing/staking		4,470.88	
Reserve for crushing 45,000 tons of 23A limestone		109,771.20	
Reserve for 3 Heavy Duty Tandem Dump Trucks		224,215.61	(1,205,052.08)
			\$ 711,200.88

There being no questions or comments, it was moved by Bower, seconded by Kline that the financial report was accepted as read. Carried unanimously.

Vouchers # 20-0012, 20-0013, 20-1231 and 20-0015 – Moved by Kline, seconded by Bower that the vouchers be approved and ordered paid. Carried unanimously.

Discuss proposed 2020 projects – Cass reviewed the list of work planned for the 2020 construction season and noted that the list would also be shared with township officials at the upcoming annual meetings.

Permission to bid graders – Cass advised that the leases on the 6 current graders would be up in October and December, 2020. The leases were bid for 6000 hours of use over the 5-year lease period, but due to higher than usual usage, the hours on 3 of the graders will be well above 6000 at the end of the lease period. Since this would result in substantial overage charges, it would be better to request bids to replace these 3 graders early, rather than waiting for the end of the current lease period. Moved by Kakuk, seconded by Bower to have Cass go out for bids for 6 new graders in February with a delivery date of April, 2020 for the first 3. Carried unanimously.

Set hearing date for proposed abandonment of Old CR 346 – Cass explained that the first time the petition had been submitted, there were not enough valid signatures on it. The petition has since been resubmitted and deemed to be valid. Moved by Kakuk, seconded by Kline to set the abandonment hearing for Tuesday, April 14, 2020 at 8:45 a.m. Carried unanimously.

Discuss/approve line item transfers for 2018/19 Budget – Cass explained that once FYE 9/30/19 was closed some of the actual expense line item amounts had changed from what was planned in the final budget amendment. Moved by Kakuk, seconded by Kline to make the following line item transfers to balance the 2018/19 budget. Carried unanimously.

	Budget 2018/2019	Budget 2018/2019	Budget 2018/2019	Budget 2018/2019	Budget 2018/2019	Budget 2018/2019
	<u>Recommended</u>	<u>Amended Amount #1</u>	<u>Amended Amount #2</u>	<u>Total</u>	<u>Line Item Transfers</u>	<u>Adjusted Total</u>
<b>PRIMARY ROADS</b>						
Preservation Improvements/Roads	1,377,865	307,189	(94,187)	1,590,867	48,875	1,639,742
Preservation Improvements/Structures	0	1,958	0	1,958	13	1,971
Routine Preventive Maintenance	1,063,000	0	(66,256)	996,744	(48,888)	947,856
Routine Winter Maintenance	550,000	216,809	0	766,809		766,809
Routine Structure Maintenance	12,600	0	769	13,369		13,369
Total Primary Roads	3,003,465	525,956	(159,674)	3,369,747	0	3,369,747
<b>LOCAL ROADS</b>						
Local Const/Capacity Improvement	70,000	212,820	(205,387)	77,433		77,433
Preservation Improvements/Roads	356,527	800,000	609,777	1,766,304	28,496	1,794,800
Preservation Improvements/Structures	625,000	(279,330)	(96,163)	249,507	(36,122)	213,385
Routine Preventive Maintenance	1,316,929	(100,000)	33,171	1,250,100	(28,496)	1,221,604
Routine Winter Maintenance	240,000	201,194	0	441,194		441,194
Routine Structure Maintenance	25,000	12,500	(27,111)	10,389	340	10,729
Total Local Roads	2,633,456	847,184	314,287	3,794,927	(35,782)	3,759,145
<b>STATE T/L MAINTENANCE</b>	680,000	60,000	61,385	801,385	28,566	829,951
<b>TWA/OTHER T/L MAINTENANCE</b>	9,000	0	36,685	45,685	7,216	52,901
<b>EQUIPMENT EXPENSE (NET)</b>						
Direct Expense	850,000	150,000	(40,000)	960,000		960,000
Indirect Expense	320,000	40,000	(40,000)	320,000		320,000
Operating Expense	300,000	50,000	3,801	353,801		353,801
Less Rental Credits	(1,550,000)	(100,000)	(321,945)	(1,971,945)		(1,971,945)
Net Equipment Expense	(80,000)	140,000	(398,144)	(338,144)	0	(338,144)

<u>ADMINISTRATIVE EXPENSE (NET)</u>						
Administrative Expense	350,000	20,000	20,000	390,000		390,000
Less Purchase Discounts	0	(400)	14	(386)		(386)
Less Handling	(2,000)	(1,000)	(4,300)	(7,300)		(7,300)
Less State Overhead	(76,000)	(20,000)	(3,250)	(99,250)		(99,250)
Net Administrative Expense	272,000	(1,400)	12,464	283,064	0	283,064
<u>DISTRIBUTIVE EXPENSE</u>						
Fringe Benefits	1,574,750	0	(199,299)	1,375,451		1,375,451
Other	90,000	0	(30,000)	60,000		60,000
Total Distributive Expense	1,664,750	0	(229,299)	1,435,451	0	1,435,451
<u>CAPITAL OUTLAY (NET)</u>						
Capital Outlay	941,000	0	(24,114)	916,886		916,886
Less Depreciation	(380,000)	(100,000)	(36,858)	(516,858)		(516,858)
Less Equip. Retirement	0	0	0	0		0
Net Capital Outlay	561,000	(100,000)	(60,972)	400,028	0	400,028
MISCELLANEOUS	86,313	0	0	86,313		86,313
SPECIAL PROJECTS	0	0	0	0		0
CONTINGENCIES	0	0	0	0		0
TOTAL EXPENDITURES	8,829,984	1,471,740	(423,268)	9,878,456	0	9,878,456

Any other business – Cass advised that a letter had been received regarding a culvert on N. River Road in Lake Township. The culvert was found to have collapsed. Since it is on a stream crossing a permit will be sought from EGLE to replace the culvert.

Cass noted that at their reorganizational meeting, the Menominee County Board assigned Commissioner Larry Phelps to the road commission for 2020.

Larry Phelps stated that water problem still exists in the ditch line on Twin Creek Road #5 near the Oatman property. Cass will look at the area to determine if anything can be done now or if it will need to be worked on in the spring.

Public Comment – Lowell Bengry asked if G 12, from US41 to Old 352 would be widened prior to ditching as it currently didn't seem to be wide enough to accommodate log trucks.

Alex Jorasz asked when Eustis Road would be repaired in the area where it had settled, and if caution signs could be put up until the repairs are made. Cass will look at the area to determine which signs, if any, should be erected.

Roger Tourangeau Jr. stated there is a shoulder drop off on Cheese Factory Road near D-1 Road.

There being no further business, Kakuk declared the meeting adjourned at 9:27 a.m.

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Road Commission Finance Director / Clerk

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Chair