

The Menominee County Board of Road Commissioners held a PUBLIC HEARING via teleconference on Tuesday, September 8, 2020.

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

Present (by phone): Anthony Kakuk, Kenneth Bower, Kenneth Kline, Darrell Cass, and Lisa Savord. Also present by phone were Kevin Dolsky and Charlene Peterson.

Absent: None.

The Pledge of Allegiance was recited.

Kakuk turned the meeting over to Cass who explained that the purpose of the hearing was to hear questions and comments regarding the proposed budget for the 2020/2021 fiscal year. Cass briefly reviewed several line items including capital outlay and revenues. Cass also noted that the budget assumed financing of some of the equipment purchases under capital outlay and advised what the year end net change would be if the equipment was purchased outright, rather than financed. Bower stated that with interest rates being favorable, financing may make sense at this time. Kakuk added that financing would have the road commission in a better position in the short term and that the loans could possibly be paid off early. Kline stated that he also agreed with the idea of financing the equipment purchases.

Cass called for any questions or comments about the proposed 2020/2021 budget. Cass called a second time for questions or comments about the proposed 2020/2021 budget. Cass called a third time for questions or comments about the proposed 2020/2021 budget. Charlene Peterson stated that she felt the budget was laid out well.

There being no further comments, the hearing was closed at 8:59 a.m.

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Road Commission Finance Director/Clerk

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Chair

The Menominee County Board of Road Commissioners held a regular meeting via teleconference on Tuesday, September 8, 2020.

Chair Kakuk called the Hearing to order at 9:01 a.m. with the following persons present or absent:

Present (by phone): Anthony Kakuk, Kenneth Bower, Kenneth Kline, Darrell Cass, and Lisa Savord. Also present by phone were Kevin Dolsky and Charlene Peterson.

Absent: None.

Public comments – Kakuk called three times for public comment and there was none.

Public appearances – None.

Additions/corrections to minutes for 08/11/20 – There being no questions or comments, it was moved by Kline, seconded by Bower that the minutes will stand as written. Roll call vote: Bower – Aye; Kakuk – Aye; Kline – Aye. Motion carried.

Financial Report –

	Receipts	Expenditures	Payables / Reserves	Balances
Balance, August 6, 2020				\$3,296,409.18
Receipts thru 08/31/20	158,195.10			
Expenditures thru 08/31/20		479,930.02		
Balance, August 31, 2020				\$2,974,674.26
Michigan Transportation Funds	456,409.81			
Receipts thru 09/03/2020	0.00			
Expenditures thru 09/03/2020		0.00		
State Maint. & Equip. Advances			261,533.00	
Balance, September 3, 2020	614,604.91	479,930.02	261,533.00	3,169,551.07

<u>Payables &amp; Reserves</u>			
Payroll 09/17 and 10/01 (Est.)		160,000.00	
Soc. Sec. 09/17 and 10/01 (Est.)		12,240.00	
Reserve for workers compensation insurance		6,811.33	
Reserve for liability insurance		55,257.10	
Reserve for rental grader leases - Cat Financial (Dec 2015)		86,313.41	
Reserve for purchase of 3 Caterpillar Graders		689,530.00	
Reserve for rental grader leases - John Deere (April 2020)		568,501.68	
Reserve for Forest Funds (CR348 Project)		161,010.93	
Reserve for CR348 Project		342,352.94	
Reserve for construction inspection for CR348		4,000.00	
Reserve for materials testing - CR348		4,166.00	
Reserve for roadside mowing		20,405.87	
Reserve for gravel crushing		179,960.87	
Reserve for 2020 culverts/bands		0.00	
Reserve for Hannahville 2% Grant for V-box Spreader		19,904.00	
Reserve for Stainless Steel V-box Spreader		1,723.00	
Reserve RR X'ing closure funds for Meyer Twp. projects		199,788.35	
Reserve for engineering services for EGLE permits		14,082.53	
Reserve for construction engineering for CR400		284.24	
Reserve for design engineering for No. 29 Road bridge		41,603.00	
Reserve for permitting for CR551 Phase 1 project		3,922.00	
Reserve for design engineering for CR551 Phase 2 project		9,777.50	
Reserve for test drilling - Eustis Road & CR551		2,261.25	
Reserve for 2020 bridge inspections		0.00	
Reserve for federal aid match for Pavement Markings project		1,087.71	
Reserve for construction engineering - Pavement Markings project		956.75	(2,585,940.46)
			\$ 583,610.61

There being no questions or comments, it was moved by Kakuk, seconded by Kline that the financial report will stand as written. Roll call vote: Bower – Aye; Kakuk – Aye; Kline – Aye. Motion carried.

Vouchers # 20-0052, 20-0053, and 20-0831 – Kline asked for an explanation of the payment made to DTN, LLC. Cass explained that this was an annual fee for the weather reporting stations located at each of the 3 shops. These are used by the foremen to monitor weather conditions. Cass added that the cost is reimbursed to the road commission by MDOT. Moved by Kline, seconded by Bower that the vouchers be approved and ordered paid. Roll call vote: Bower – Aye; Kakuk – Aye; Kline – Aye. Motion carried.

Act on proposed 2020/2021 Budget and General Appropriations Act –

#### GENERAL APPROPRIATIONS ACT

Moved by Commissioner Kakuk, seconded by Commissioner Kline, that the 2020/2021 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.

	FY 2018/2019	Budget 2019/2020	Budget 2020/2021
	<u>Actual Prior</u>	<u>Estimated</u>	<u>Recommended</u>
<u>REVENUES</u>			
Mich. Transportation Funds	\$5,565,086	\$5,381,434	\$6,162,254
Special State Funds	888,963	226,534	1,193,461
Federal Funds	1,726,029	433,585	1,806,000
County Raised Funds	1,574,875	2,013,588	1,149,025
Gain/Loss Equip. Disposal	10,799	24,340	0
Other Contributions	<u>203,228</u>	<u>0</u>	<u>769,200</u>
<b>TOTAL REVENUES</b>	<b><u>\$9,968,980</u></b>	<b><u>\$8,079,481</u></b>	<b><u>\$11,079,940</u></b>

<u>EXPENDITURES</u>			
Primary Roads	3,813,919	3,112,949	4,709,634
Local Roads	4,101,463	1,888,859	2,978,340
State T/L Maintenance	829,951	826,000	850,000
TWA/Other T/L Maintenance	52,901	489,000	25,000
Equipment Expense (Net)	(150,186)	(195,000)	(220,000)
Administrative Expense (Net)	539,282	308,750	281,750
Distributive Expense	0	1,615,000	1,436,000
Capital Outlay (Net)	376,235	460,704	743,730
Miscellaneous	86,313	180,650	228,268
Special Projects	0	0	0
Contingencies	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$9,649,878</u></b>	<b><u>\$8,686,912</u></b>	<b><u>\$11,032,723</u></b>
	YEAR END		
Budgeted Net Revenue (Expenditures)	9/30/2021		<u>\$47,217</u>
	YEAR END		
Current Estimated Operating Surplus (Deficit)	9/30/2020	(\$607,430)	
Accumulated Avail. Surplus (Deficit)	DATE		
from Prior Yrs.	9/30/2019	<u>\$4,734,632</u>	
	9/30/2020	<u>\$4,127,200</u>	
Projected Surplus at End of Budget Year (2020/2021)			<u>\$4,174,417</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 Cass, 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 yeas, 0 nays.

Open bids for cutting edges for moldboard assemblies – Bids were opened and read aloud as follows:

H&L Mesabi, Negaunee, MI	Steel ¾" x 8" x 6'	111.00 each
	Steel ¾" x 8" x 7'	129.50 each
	Carbide 7/8" x 8" x 4'	250.00 each
Fabick CAT, Marquette, MI	Steel ¾" x 8" x 6'	80.37 each
	Steel ¾" x 8" x 7'	93.03 each
	Carbide 7/8" x 8" x 4'	314.52 each
Winter Equipment Co, Inc, Willoughby, OH	Steel ¾" x 8" x 6'	82.73 each
	Steel ¾" x 8" x 7'	96.52 each
	Carbide 7/8" x 6" x 4'	No bid
Roland Machinery Co, Escanaba, MI	Steel ¾" x 8" x 6'	111.69 each
	Steel ¾" x 8" x 7'	127.98 each
	Carbide 7/8" x 8" x 4'	217.43 each

Moved by Kakuk, seconded by Bower to award to the apparent low bidder, Fabick CAT, pending tabulation of the bids. Roll call vote: Bower – Aye; Kakuk – Aye; Kline – Aye. Motion carried.

Discuss Hannahville 2% Grant request submission – Moved by Kline, seconded by Bower to have Cass submit a grant request to help with the purchase of a new or used W-bottom trailer. Roll call vote: Bower – Aye; Kakuk – Aye; Kline – Aye. Motion carried.

Allocate Forest Funds - Moved by Kakuk, seconded by Bower to allocate the Forest Funds as follows. Roll call vote: Bower – Aye; Kakuk – Aye; Kline – Aye. Motion carried.

CR348 crush, shape & pave	36,189.49
CR551 reconstruction	44,060.03
River Rd over Shakey Crk culvert reline	<u>80,761.41</u>
	\$161,010.93

Set date for special meeting for final 2019/2020 Budget Amendment – Moved by Kakuk, seconded by Kline that the meeting be scheduled for Wednesday, September 30, 2020 at 9:00 a.m. via teleconference.

Approve MERS 2020 voting delegate certification form – Moved by Kline, seconded by Bower to approve the 2020 MERS Officer & Employee Delegate Certification Form naming Lisa Savord as the Officer Delegate, Darrell Cass as the alternate Officer Delegate and Carla O’Neil as the Employee Delegate. Roll call vote: Bower – Aye; Kakuk – Aye; Kline – Aye. Motion carried.

Any other business – Cass discussed the poor condition of the one remaining mower tractor and advised that there were two tractors on an upcoming auction that may be worth taking a look at. Moved by Kline, seconded by Bower to authorize Cass to research the used mowers and bid up to \$80,000 for the purchase of one or both of them. Roll call vote: Bower – Aye; Kakuk – Aye; Kline – Aye. Motion carried.

Bower asked for an update on the roadside mowing. Cass stated that it should be complete this week.

Kline stated that the P-1 box culvert on the project list was actually in Mellen Township, not Menominee Township as listed.

Kline advised that the intersection of CR338 and Rangeline Road needed brush chopping for better vision.

Kakuk discussed the MCRCSIP refund that was issued and also complimented Cass on his comments in the CRA 2020 Winter issue of Crossroads magazine.

Public Comment – Kakuk called three times for any other public comment and there was none.

There being no further business, Kakuk declared the meeting/teleconference adjourned at 9:51 a.m.

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Road Commission Finance Director / Clerk

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Chair