

The regular meeting of the Midland County Road Commission was called to order by Chairman Atton on Thursday, December 21, 2017 at 9:00 a.m. at the Road Commission office.

Present: Mike Atton, Chairman
Don Terwillegar, Vice Chairman
Al Kloha, Commission Member
Terry Palmer, Managing Director
Sam SanMiguel, Superintendent
Brenda Gordert, Finance Director
Russ Inman, Design Engineer
Ben Mead, Facilities Manager
Absent: Art Buck, Design Technician

Public Present: Laura Dawson, Lee Township Clerk; Andy Kobisa, Hope Township Supervisor; Doug Jackson, Larkin Township; David Johnson, Fleis & Vandenbrink.

The Pledge of Allegiance was said

Additions to Agenda:

None

Approval of Minutes:

Moved by Commissioner Terwillegar and seconded by Commissioner Kloha to approve the minutes of the December 14, 2017 meeting.

Roll Call.

Yeas: Commissioners Kloha, Terwillegar, Atton

Nays: None

Motion Carried

Public Comment:

Doug Jackson expressed approval of the Swede Road extension in Larkin Township.

David Johnson commented on the bid process for engineering services. Terry explained we extended 2017 engineering bids to 2018. We will contact all firms if we advertise for bids in 2019.

Approval of Open Accounts:

None

Correspondence and Items of Information:

None

Unfinished Business:

None

At 9:30 a.m. Chairman Atton opened the Public Hearing on the proposed 2018 budget.

Terry discussed a listing of road projects.

Ben discussed a listing of equipment purchases and building repairs.

Russ discussed a listing of engineering equipment and supplies.

Brenda presented the 2018 proposed Budget and discussion was held:

APPROPRIATION BUDGET 2018

	2015 ACTUAL	2016 ACTAL	Proposed 2017 BUDGET	Proposed 2018 BUDGET
REVENUES				
TAXES				
County Millage/Per prop	1,286,708	2,621,353	2,600,000	2,680,000
PERMITS & LICENSES	27,000	29,700	30,000	43,000
FEDERAL SOURCES				
Bridges				2,398,029
Surface Trans/STP		793,142		
Fed "D" Funds - overlays	379,564	487,141	970,891	3,639,186
Fed. Safety Grant		25,314	1,064,000	861,835
Fed. Aid Flood				
FEMA	89,320			
STATE SOURCES				
MTF	5,867,003	5,992,562	7,400,000	8,200,000
Build Michigan	198,585	197,268	197,000	201,000
Bridge				315,000
Safety Grant				392,500
PA252 Additional Funds	264,654			
PA84 Additional Funds	477,078	475,254		
EDF- "D" Funds overlays	114,472	81,263	157,900	110,000
EDF-Forest Rd "E"	48,135	48,134	48,200	48,200
EDF-Urban area "F"				
Bridge - Coleman Rd	1,446,847			
FEMA	4,424	11,869		661,162
State Infrastructure Bank Loan				
CONTRIBUTIONS				
City/Villages/Counties	151,164	182,259	10,000	10,000
Townships	1,325,918	1,410,241	900,000	1,550,000
Other - Salv sales	5,873	7,179		10,000
CHARGES FOR SERVICES				
State Maintenance	636,021	837,785	622,064	630,915
State Non-Maint	326,043	113,430		
Other - Inspection fees		7,969		
OTHER-LIST				
Interest & Rentals	1,314	4,222	4,000	5,000
Private Contrib	117,998	108,713	0	
Proceeds/royalties	10	5		
Gain(loss) on equip disposals	103,039	7,238	61,000	27,000
TOTAL REVENUES	12,871,171	13,442,041	14,065,055	21,782,827

EXPENDITURES

PRIMARY CONSTRUCTION				5,286,360
PRIMARY HEAVY MAINT	4,037,779	4,176,457	3,919,700	6,195,857
PRIMARY MAINTENANCE	2,900,159	2,850,858	2,800,000	3,056,500
LOCAL HEAVY MAINT	1,720,074	2,357,282	2,473,500	2,500,000
LOCAL MAINTENANCE	3,116,767	3,194,240	3,000,000	3,050,000
LOCAL CONSTRUCTION				
STATE TRUNKLINE MAINT	629,208	674,179	622,064	630,915
STATE NON-MAINTENANCE	326,043	113,430	0	
EQUIPMENT EXPENSE(NET)				

Direct	1,177,431	1,164,269	1,000,000	1,200,000
Indirect	664,553	565,080	600,000	600,000
Operating	283,130	241,833	250,000	250,000
Less Equipment Rental Credits	(1,945,051)	(2,060,002)	(1,900,000)	(2,100,000)
ADMINISTRATIVE EXPENSE (NET)				
Administrative	567,779	582,246	625,000	575,000
Less Credits To	(98,555)	(86,991)	(75,000)	(75,000)
CAPITAL OUTLAY (NET)				
Office	15,624	7,995	25,000	5,000
Engineering	55,366	49,803	81,100	100,000
Garage/Shop/Misc Rd Equ	37,381	32,719	62,950	30,000
Road Equipment	850,776	866,359	892,000	1,180,609
Building				
Less: Retirements	(5,411)			
Depreciation	(659,049)	(676,632)	(650,000)	(780,000)
OTHER				
Debt Principal Payments				440,000.00
Interest Expense				
City/Villages/city Escrow	99,168	16,237	10,000	10,000
Drain Commission	85,416	47,319	80,000	40,000
TOTAL EXPENDITURES	13,858,589	14,116,681	13,816,314	22,195,241
TOTAL REVENUES	12,871,171	13,442,041	14,065,055	21,782,827
LESS TOTAL EXPENDITURES	13,858,589	14,116,681	13,816,314	22,195,241
TOTAL OVER(UNDER) EXP.	(987,418)	(674,640)	248,741	(412,414)

Commissioner Atton closed public hearing at 10:25 a.m.

Moved by Commissioner Terwillegar and seconded by Commissioner Kloha to approved 2018 proposed budget.

Roll Call.

Yeas: Commissioners Kloha, Terwillegar Atton

Nays: None

Motion Carried

New Business:

2017 Budget Adjustments were presented and discussion was held:

APPROPRIATION BUDGET 2017

	2015 ACTUAL	2016 ACTAL	Proposed 2017 BUDGET	Proposed 2017 Adjustments
REVENUES				
TAXES				
County Millage/Per prop	1,286,708	2,621,353	2,600,000	2,935,481
PERMITS & LICENSES	27,000	29,700	30,000	43,000
FEDERAL SOURCES				
Bridges				
Surface Trans/STP		793,142		
Fed "D" Funds - overlays	379,564	487,141	970,891	573,125
Fed. Safety Grant		25,314	1,064,000	982,187
Fed. High Risk				
Fed. Aid Flood				1,673,000
FEMA	89,320			

STATE SOURCES

MTF	5,867,003	5,992,562	7,400,000	7,562,271
Build Michigan	198,585	197,268	197,000	201,000
Bridge				
Safety Grant				
PA252 Additional Funds	264,654			
PA84 Additional Funds	477,078	475,254		
EDF- "D" Funds overlays	114,472	81,263	157,900	137,737
EDF-Forest Rd "E"	48,135	48,134	48,200	48,200
Bridge - Coleman Rd	1,446,847			
FEMA	4,424	11,869		
State Infrastructure Bank				
Loan				2,000,000

CONTRIBUTIONS

City/Villages/Counties	151,164	182,259	10,000	61,860
Townships	1,325,918	1,410,241	900,000	370,000
Other - Salv sales	5,873	7,179		23,228

CHARGES FOR SERVICES

State Maintenance	636,021	837,785	622,064	605,100
State Non-Maint	326,043	113,430		231,943
Other - Inspection fees		7,969		

OTHER-LIST

Interest & Rentals	1,314	4,222	4,000	9,249
Interest - Other/Sell				
Coleman garage				
Private Contrib	117,998	108,713	0	61,694
Proceeds/royalties	10	5		7
Gain(loss) on equip disposals	103,039	7,238	61,000	70,000

TOTAL REVENUES

12,871,171	13,442,041	14,065,055	17,589,082
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EXPENDITURES**PRIMARY CONSTRUCTION**

PRIMARY HEAVY MAINT	4,037,779	4,176,457	3,919,700	5,250,300
PRIMARY MAINTENANCE	2,900,159	2,850,858	2,800,000	2,425,300
LOCAL HEAVY MAINT	1,720,074	2,357,282	2,473,500	1,885,000
LOCAL MAINTENANCE	3,116,767	3,194,240	3,000,000	3,395,580

LOCAL CONSTRUCTION

STATE TRUNKLINE MAINT	629,208	674,179	622,064	575,500
STATE NON-MAINTENANCE	326,043	113,430	0	231,944

EQUIPMENT EXPENSE(NET)

Direct	1,177,431	1,164,269	1,000,000	1,354,301
Indirect	664,553	565,080	600,000	675,048
Operating	283,130	241,833	250,000	250,000
Rented Equipment				
Less Equipment Rental				
Credits	(1,945,051)	(2,060,002)	(1,900,000)	(2,120,458)

ADMINISTRATIVE EXPENSE (NET)

Administrative	567,779	582,246	625,000	571,576
Less Credits To	(98,555)	(86,991)	(75,000)	(75,000)

CAPITAL OUTLAY (NET)

Office	15,624	7,995	25,000	4,940
Engineering	55,366	49,803	81,100	28,590
Garage/Shop/Misc Rd Equ	37,381	32,719	62,950	222,259

Road Equipment	850,776	866,359	892,000	990,829
Building				218,984
Less: Retirements	(5,411)			
Depreciation	(659,049)	(676,632)	(650,000)	(780,000)
OTHER				
Debt Principal Payments				
Interest Expense				
City/Villages/city Escrow	99,168	16,237	10,000	95,200
Drain Commission	85,416	47,319	80,000	70,795
TOTAL EXPENDITURES	13,858,589	14,116,681	13,816,314	15,270,687
TOTAL REVENUES	12,871,171	13,442,041	14,065,055	17,589,082
LESS TOTAL EXPENDITURES	13,858,589	14,116,681	13,816,314	15,270,687
REVENUES OVER(UNDER)				
EXP.	(987,418)	(674,640)	248,741	2,318,394

Moved by Commissioner Kloha and seconded by Commissioner Terwillegar to approve 2017 budget adjustments.

Roll Call.

Yeas: Commissioners Atton, Kloha, Terwillegar

Nays: None

Motion Carried

Terry presented an offer of employment for a GIS Technician;

Starting salary is \$41,600 with 10 days vacation immediately. Benefits are the same as the administrative staff hired after December 1, 2014.

Discussion was held and job duties and description were reviewed.

Moved by Commissioner Terwillegar and seconded by Commissioner Kloha to support offer of employment for GIS Technician.

Roll Call.

Yeas: Commissioners Kloha, Terwillegar, Atton

Nays: None

Motion Carried

Terry discussed hiring one additional hourly maintenance employee. There are quite a few employees eligible to retire in the next 1-5 years and feels it would be beneficial to have someone in training at this time.

Moved by Commissioner Terwillegar and seconded by Commissioner Kloha to hire one hourly maintenance employee.

Roll Call.

Yeas: Commissioners Atton, Kloha, Terwillegar

Nays: None

Motion Carried

Miscellaneous:

The board meeting schedule for 2018 was discussed.

Moved by Commissioner Terwillegar and seconded by Commissioner Kloha to approve 2018 meeting schedule with the cancelation of the November 15, 2018 meeting.

Roll Call.

Yeas: Commissioners Terwillegar, Atton, Kloha

Nays: None

Motion Carried

Staff Reports:

Ben stated he is going to purchase a power washer for the shop. It was one of the items on his 2017 budget.

He stated the mechanics have started to build the new trucks.

He is going to order the boiler for the in-floor heat for the shop.

Sam stated he met with Warren Township to discuss their 5-year plan.
He has already met with Jasper and Greendale to discuss their 5-year plan.
He is continuing to meet with each township and Ashley is producing the maps for them.

Terry stated we will apply for the CRA Impress awards for the LifeSpan Technology, the GRS IBS Bridges and the new Traffic Control Signal System.
He is applying for the wetland banking program.

Jim Stamas was here for a meeting on Monday and Terry started a discussion on a bike trail for the Bailey Road Bridge in Mapleton.

Russ stated he attended the MPO meeting and projects were discussed. MDOT's bid for the M-20 bridge is \$31.5 million, \$10 million under estimate. Russ recommended the savings stay in Midland and asked for consideration of a US-10 interchange at Waldo Road.
He thanked the Board for approving the full time GIS position.

Meeting was adjourned by Commissioner Atton at 11:15 a.m. until Thursday, January 11, 2018.

Brenda Gordert, Finance Director

Mike Atton, Chairman