

Chairman J. Johnson called the Regular Meeting of the Cheboygan County Road Commission to order at 8:00 A.M.

Clerk D. Stempky tool roll call and a quorum was present.

Pledge of Allegiance was recited.

PRESENT: J. Johnson, R. Chadwick, C. O'Connor, D. Brown, K. Paquet, Engineer/Manger B. Shank and Clerk D. Stempky

VISITORS: C. Muscott, T. Matelski, F. Cribb, D. Henkel, T. Olson, J. Moore, E. Boyd, D. Damm, L. Damm, M. Donovan, C. Veneros, G. Archambo, L. Lower, K. Swanson and K. Hahn.

MOTION by K. Paquet seconded by C. O'Connor to approve minutes of last regular meeting of 6/16/2016 as mailed. 5 Yeas **CARRIED**

MOTION by D. Brown seconded by K. Paquet to approve for payment current payroll voucher #16-26-\$68,325.52 and accounts payable voucher #16-27-\$213,644.21. 5 Yeas **CARRIED**

MOTION by D. Brown seconded by K. Paquet to approve agenda as presented. 5 Yeas **CARRIED**

Carl Muscott commented it looks like a Resolution was received from the County of Cheboygan in favor of the 175 Business loop proposal. Still moving forward with the proposal.

D. Damm-resident of W. Black Lane-Commented that he was on the Committee to start a special assessment for Canton Drive and W. Black Lane. He started in May with the special assessment and they have received 51% of the property owners to move the project forward for Canton Drive and W. Black Lane. Would like the Road Commission to help with funding a project and also to waive the 2% deposit. He was not aware of that requirement and not going to go door to door to ask for funds to make the deposit. Feels there needs to be a clear policy regarding projects and better communication between Township and Road Commission.

G. Archambo commented the DNR is looking at purchasing the Black River Marina and putting a boat launch in and not operating the marina. He would like the Road Commission to attend those meetings when known.

Lynn Lower-Resident off Parkway Drive on a section next to the Township park off Foote Road., they need to replace their drain field, which currently sits in the Right of way, and do not have enough property to place without encroaching on Road Commission Right of Way. Lynn stated they have tried to purchase property across the road from them but the owners are not interested in selling. Engineer/Manager Shank stated he feels ok with the request with a stipulation that any road improvements in the future may require relocation at property owner expense.

MOTION by K. Paquet seconded by D. Brown to approve the issuance of permit to Lynn Lower to place his drain field in the road right of way on Parkway Drive with the stipulation that any road improvements in the future may require that the drain field be relocated at the property owner expense. 5 Yeas **CARRIED**

K. Swanson stated there was a Tuscarora Township DDA meeting held Wednesday night and noticed the Road Commission was not present, Brent noted the CCRC was not notified of the meeting. Kathy wants to make sure the Committee gets the support they need from the Road Commission moving forward.

Bids were received for the gravel supply for Burt and Munro road projects and opened on July 6, 2016. They are as follows:

J. & N Construction	\$76,635.00
Sackrider	\$75,643.00
Poquette Leasing	\$82,462.00
Rieth Riley	\$120,625.00
D.J. McQuestion	\$82,719.00

MOTION by K. Paquet seconded by R. Chadwick to accept all bids for gravel supply for Burt and Munro projects and award to Sackrider/PaulBen LLC for \$75,643.00. 5 Years **CARRIED**

MOTION by D. Brown seconded by C. O'Connor to approve Dana Stempky and Brent Shank to attend the MERS annual Conference September 28-29, 2016 and appoint D. Stempky as the Officer delegate and Brent Shank and the Officer alternate for the Annual Conference. 5 Years **CARRIED**

MOTION by D. Brown seconded by K. Paquet to approve the attendance of two Foremen to attend the Association of County Road Superintendents of Michigan, October 5-7, 2016 at Little River Casino & Resort in Manistee. 5 Years **CARRIED**

MOTION by D. Brown seconded by C. O'Connor to approve Brent Shank and Ken Paquet to attend the Northern Michigan Association of Road Commission and Association of Southern Michigan County Road Agencies Joint meeting, September 14-16, 2016 Boyne Mountain Resort, Boyne Falls. 5 Years **CARRIED**

MOTION by K. Paquet seconded by D. Brown to approve the attendance of two Foremen to attend the 2016 Winter Operations Conference, October 18-19, 2016, Shanty Creek Resort. 5 Years **CARRIED**

Engineer/Manger Shank presented revised Policy #37 Local Road Cost Sharing Policy in which adds that Design Engineering by Road Commission staff on road projects that are constructed and Construction Engineering on Township road projects that are constructed would exclude those costs from being billed to Township and also add the 2% deposit would be waived if special assessment project. Lengthy discussion.

MOTION by K. Paquet seconded by D. Brown to approve Revised Policy #37 as presented for Local Road Cost Sharing Policy as follows:

**CHEBOYGAN COUNTY ROAD COMMISSION
LOCAL ROAD COST SHARING POLICY**

POLICY #37

The Road Commission will allocate up to a total of 10% of the previous year's local road MVHF Allocation per year as available matching and unmatching funds for Townships in good standing to be used for eligible projects. Matching means, 50% Township Funds, 50% Road Commission Funds until the amount of the Road Commission allocation has been reached; thereafter, 100% Township share. The allocation for each Township is calculated by using the Township's population and road mileage. Townships, upon written request and approval by the Road Commission may carry forward any unused allocation for one (1) year, if a project is requested in writing. The Townships will forfeit any unused allocations. Second Year allocation may be carried over if Road Commission Board approves and a signed agreement is completed

between the Township and Cheboygan County Road Commission for the project specified from the first year. If specified project is not completed by the third year, then carryover allocation is forfeited from previous year(s). The Road Commission may on occasion suggest to the Townships specific projects in need of urgent attention. The road commission reserves the right to withhold these annual and prior years' unused allocations from Township's with overdue bills.

DISTRIBUTION FORMULA:

The first \$95,000 of the allocation will be split equally (\$5,000/twp) as unmatched funds. The remaining allocation will be apportioned in the following manor: thirty-five (35%) prorated to each township based on each townships population relative to the collective population of all townships; sixty-five percent (65%) prorated to each township based on the total miles of local roads in each township relative to the total miles in the entire county local road system. Forty seven percent (47%) of the prorated apportionments will be available as unmatched funds and the remaining funds (53%) will require matching township funds.

COUNTYWIDE ROAD MILLAGE FUNDS (20% FUNDS):

Should there be a countywide road millage approved for maintenance and repair of county roads, the road commission will place at least 20% of one (1) mill into this local road cost sharing policy provided at least one (1) mill is levied. If less than one (1) mill is levied then the contribution will be 20% of the millage that is levied.

The millage funds (20% funds) will not require matching funds and will be apportioned to the various townships of the county according to the following: 1) The first \$95,000 will be split equally (\$5,000/twp); and, 2) the balance prorated to each Township proportionately based on the taxable value of the Township.

Townships may direct the expenditure of the 20% funds on any county road maintenance or repair work the township may desire provided the work is performed with the labor and equipment of the road commission. The 20% funds shall not be eligible for the purchase of materials or work that requires the use of a contractor.

Provided a township submits a written plan identifying a specific project(s), the road commission may, at its discretion, authorize a township to carry over 20% funds to a future year. However, in no case will 20% funds be authorized to be carried over beyond the expiration of the countywide millage.

TYPICAL PROJECTS:

- 1) Installation or replacement of drainage structures other than driveway culverts and ditching.
- 2) Clear, grub, grade, drain and gravel for construction projects.
- 3) Paving with hot plant mix asphalt.
- 4) Sealcoat of existing paved, chipstone surfaces or fog seal, Township responsible for material costs and contracted services and CCRC will furnish its Labor and equipment.
- 5) Prime and double seal gravel surface roads; and must be resealed 2 years after original sealcoat. Township responsible for material costs and contracted services and CCRC will furnish its Labor and equipment.
- 6) Brine if continuous application, not spot brine application.
- 7) Gravel production for Township.

- 8) All projects funded with Allocation Funds will be constructed with Road Commission forces. Any needed outside contractor will be bid and awarded per Road Commission Policy.
- 9) For paving and sealcoat projects CCRC will furnish the labor to spread aggregate shoulders and approaches from Township stock. If no Township stock, Township will reimburse for gravel costs as well.
- 10) Pavement markings, both centerline and edge line, for local roads subject to Road Commission Board approval, and must be repainted every 3 years.

ESTIMATES:

Estimates for grading and paving will be prepared separately. As a general rule, grading should be done one year, paving, if desired, the following year to allow for adequate and uniform compaction of the base. This procedure should result in a high quality of paving, while enhancing early competitive bids for bituminous work. In cases where a minimal amount of work is required prior to paving, the Road Commission may waive the "grade now, pave later" practice at its sole discretion. New paving projects must connect with existing paved surfaces. Contact the Road Commission for interpretation of this section at a specific location. The intent being is to prevent a checkerboard pattern of surface types all in the same area. Estimates are good for one (1) year from the date of issue.

COSTS AND BILLING:

The Costs included in the projects are the published equipment costs (MDOT Schedule C), labor costs based on terms of the current labor contract, materials and contracted services; all plus 10% engineering and overhead.

Excluded Costs (not billed to the Township):

1. The Township shall furnish Acquisition of right-of-way or easements for local projects.
2. Design Engineering by Road Commission staff on road projects that are constructed.
3. Construction Engineering on Township road projects that are constructed.
4. Any other costs not listed under Typical Projects are excluded.

Estimates are prepared giving the Road Commission's best estimate of the anticipated final costs. The billing will be based upon actual costs incurred. The Road Commission guarantees the actual costs will not exceed 110% of the Final Estimate for the specific project.

Billings will be mailed to the Townships in the following manner: As the project begins, the Road Commission will bill the Township 50% of the Agreement amount. After completion of the project, the Road Commission will bill the Township for the balance due. These bills are due upon receipt of statement.

If contributions are anticipated from corporations, individuals, assessment district projects or other, we ask that all of those contributions be routed through the Township. The Road Commission's contract for the improvement will be with the Township and not with other parities.

TIME SCHEDULE:

<u>Cut-off Date (each year)</u>	<u>Activity</u>
August 1	Townships request estimate of cost from Road Commission for any Special Assessment District projects to be done the following year.
December 1	Townships request estimate of costs from Road Commission for the following year's construction season.
April 1	Townships return signed project Agreements to the Road Commission for that year's construction season.
November	Management and Township Committee Members will meet when the Road Commission budgeting process takes place to discuss the amount to be allocated for the upcoming year.

PROCEDURES FOR REQUESTING AN ESTIMATE

- 1) **Township needs to request in writing for an estimate from the Road Commission if they wish to pursue a project.**
- 2) **When request is received the Road Commission will put together a Preliminary Estimate (this is based on average costs of construction and only a initial evaluation of a propose road project).**
- 3) **The Preliminary Estimate will be forwarded on to the Township and if the Township decides to continue, the Township needs to send a deposit equal to 2% of the Preliminary Estimate to the Road Commission.**
 - a. **For projects that are funded by a Special Assessments, the Board will waive the 2% deposit requirement provided the Township submits documents that show the proposed Special Assessment has 50.01% or more land owner frontage support (per Public Act 188 of 1954) and that all signatures have been validated.**
- 4) **When the Road Commission receives the deposit they will generate a Final Estimate for the Township and will forward Final Estimate along with an agreement for the Township to sign.**
- 5) **If Township agrees with Final Estimate then the Township will sign the Agreement and return to the Road Commission.**
- 6) **When Road Commission receives signed agreement they will execute the necessary signatures and return a copy of Agreement to the Township.**
- 7) **When Agreement has proper signatures project will be placed on the schedule for reconstruction.**
- 8) **Upon Start of Project, 50% of contract cost is due.**
- 9) **Upon Completion of the project, the balance of actual Project Cost is due.**

Roll call: Paquet-yes, Brown-yes, Johnson-no, Chadwick-yes and O'Connor-no 5 Yeas

CARRIED

Engineer/Manager Shank closed session for 6 month evaluation after regular session.

MOTION by D. Brown seconded by K. Paquet to receive and file the following correspondence: Township Meeting Minutes: Ellis 5/10/16, Koehler 5/9/16, Grant 5/10/16, Mullett 6/7/16, Beaugrand 5/11/16, Benton 5/10/16, Mackinaw 6/21/16 and Tuscarora 6/7/16; Mr. Henkel Ref. Beebe Road, County Road Association Ref. 2017 Federal Fund Exchange Pilot Program; and County of Cheboygan Resolution supporting Indian River I 75 Business Loop. 5 Yeas **CARRIED**

Mr. Henkel-Beebe Road- commented, he wants to proceed forward with the abandonment of Beebe Road even though he does not have the Benton Township Board support. Engineer/Manager Shank noted the policy states we will look at an abandonment request with the support of the Township and he has not received that. Mr. Henkel feels the access was originally developed for water access for road purposes and not swimming purposes. Board feels will not act upon Mr. Henkel's request until the Benton Township Board gives their support for the abandonment. Mr. Henkel's \$300 check for the abandonment fee was returned to him.

Engineer/Manager Update:

- Millage Project for E. Mullett Lake Road completed and completed approximately \$15,000 over estimate.
- Devereaux Lake Road completed
- HB 5701 was signed by the Governor. It allows MDOT to sell their used equipment to Road Commissions prior to open auction. The department of Management and Budget will create guidelines/rules soon. It includes snow removal, construction and maintenance equipment.
- The Northern Michigan of Road Commissions needs a Vice President. The VP attends meeting and assists with planning of the yearly conference. Contact Larry Orcutt from Alpena if interested.
- M-33 project: currently open to traffic with lane closures. Currently scheduled for a July 18 closure for 3 days at the deep culvert at the north end, but this could be delayed. They will use the same detour as before. In August there will be a 2 week closure for a culvert replacement south of M-212.

R. Chadwick noted J. LaPeer, Ellis Township contacted him regarding Hatch Road bridge. Engineer/Manger Shank noted he has talked with Jim LaPeer and well as the fire department about the bridge load limits and they are able to cross the bridge. No plans for replacement which is estimated around \$100,000 without some help or participation from an outside source.

MOTION by D. Brown seconded by K. Paquet to go into closed session to discuss Engineer/Manager Shank's 6 month evaluation per his request. Roll call: Brown-yes, Johnson-yes, Chadwick-yes, O'Connor-yes, Paquet-yes **CARRIED**

Chairman Johnson recessed regular meeting at 9:15 A.M. before going into closed session for Engineer/Manger evaluation.

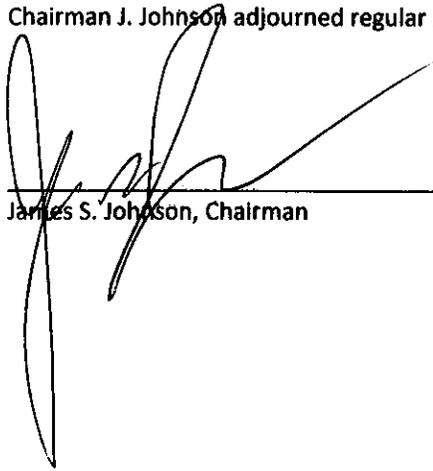
Return to open session at 9:25 A.M.

Closed session at 9:25 A.M.

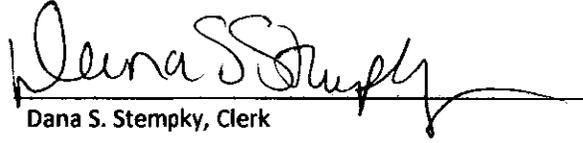
MOTION by D. Brown seconded by C. O'Connor to return to open session at 10:00 A.M. Roll call: Johnson-yes, Chadwick-yes, O'Connor-yes, Paquet-yes, Brown-yes **CARRIED**

MOTION by C. O'Connor seconded by D. Brown to approve R. Chadwick to attend the Northern Michigan Association of Road Commissions and Association of Southern Michigan County Road Agencies Joint meeting September 14-16, 2016, Boyne Mountain Resort. 5 Years CARRIED

Chairman J. Johnson adjourned regular meeting at 10:00 A.M.



James S. Johnson, Chairman



Dana S. Stempky, Clerk