

Vice-Chairman Chadwick called the regular meeting of the Cheboygan County Road Commission to order at 9:00 A.M.

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

Pledge of Allegiance was recited

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

ABSENT: J. Johnson

VISITORS: C. Veneros, T. Olson, S. Hoskins-Stewart, Beauvais and Whipple, K. Hahn, G. Archambo, T. Horrocks, M. Gotham, T. Matelsi, and J. Moore

MOTION by K. Paquet seconded by D. Brown to approve minutes of last regular meeting and public hearing of 3/3/16 as mailed. 4 Yeas 1 Absent (Johnson) CARRIED

9:03 A.M. Chairman J. Johnson entered meeting

MOTION by K. Paquet seconded by D. Brown to approve for payment current payroll voucher #16-11-\$82,116.92 and accounts payable voucher #16-12-\$265,193.60. 5 Yeas CARRIED

MOTION by D. Brown seconded by C. O'Connor to approve agenda with the following addition: New Business #3-Safety Committee By-Law updates. 5 Yeas CARRIED

Scot Hoskins-Stewart, Beauvais and Whipple

- Unmodified opinion (clean) on fair presentation in Accordance with GAAP
- There will be a change in accounting principles due to implementation of GASB Statement No. 68
- Key Financial statement elements and disclosures: Total fund balance increased by \$294,768; Unassigned fund balance \$2,124,131; average monthly operations \$770,000 in effect unassigned fund balance provides approximately 2.75 months of operations (recommends 3-4 months); Non-spendable fund balance of \$1,251,457 for inventories, prepaids and deposits.
- Employee Benefit Plans: Defined Benefit Plan with MERS, implementation of GASB 68-required adding a net pension liability to government-wide statement of \$10,349,219 based on actuary valuation of 12/31/14 and rolling forward to 12/31/2015; Pension expense for 2015 is \$1,127,187 including contributions of \$724,576; other items reflected as deferred outflows \$682,687 (net difference between projected and actual earnings.; Funding ratio 45%; next year MERS will discount to 8% rate which will increase net pension liability.
- Defined Contribution Plan with MERS for new hires, Road Commission contributes 5% mandatory with an additional match of employee voluntary contributions up to 3%, fully vested after 6 years.
- Post employment Benefits-Retiree healthcare benefits upon retirement-Requires to update every 3 years under GASB No. 45, Alternative measurement method due to fewer than 100 plan members, Annual cost is approximately \$1.1 million, most recent AAL as of 12/31/2014 was approximately \$14 million; added \$41,495 to trust fund for 2015; trust fund has \$307,462 at 12/31/2015
- Upcoming pronouncements for GASB 72, 74 and 75. Only No. 74 and 75 relating to OPEB will be significant to Road Commission, primary effect will be on disclosures recording net OPEB liability, and adding supplementary information schedules relating to OPEB, will phase in over 2017 and 2018
- With implementation of GASB 68 resulting in a restatement of beginning net pension of \$9,371,056 and reclassification of infrastructure from land improvements to road improvements category.

- No difficulties in dealing with Management, nor disagreements with management and management provided the requested representation. GASB 34 entries were proposed and accepted by management, no unadjusted audit differences were identified. Staff does a great job.

Request by Danielle Shea to place a plaque in the right of way on Black River Road is presented to honor the Fenlon brothers. Engineer/Manger Shank noted a permit will be needed to place in the right of way and will specify a certain distance on the permit will not cause a problem.

MOTION by J. Johnson seconded by C. O'Connor to allow the placement of plaque in right of way on N. Black River Road to honor the Fenlon brothers per Danielle Shea's request and allow Engineer/Manager Shank to issue a permit for the same. 5 Yeas CARRIED

Engineer/Manager Shank noted the supervisory union is requesting to start contract negotiations. Will discuss negotiation items in closed session after regular business.

MOTION by D. Brown seconded by J. Johnson to appoint Clarence O'Connor and Ken Paquet to the negotiating Committee for supervisory contract with Engineer/Manager Shank. 5 Yeas CARRIED

Engineer/Manager Shank commented the revisions proposed to the Safety Committee By Laws: section on the way the Safety Committee will vote on accidents/incidents and deleted section that is covered in Employee work rules.

MOTION by K. Paquet seconded by C. O'Connor to approve the amended Employee Safety Committee By Laws as follows:

**Cheboygan County Road Commission
Employee's Safety Committee By Laws**

**ARTICLE I
NAME**

The name of this committee shall be the Cheboygan County Road Commission Employee's Safety Committee.

**ARTICLE II
OBJECTIVE**

The objectives of this committee shall be:

1. To ensure and encourage continuously safe practices to include reducing the number of work-related injuries and illnesses, identifying and mitigating hazards, controlling and reducing workers disability compensation costs, complying with federal and state occupational safety and health laws, reducing absenteeism occasioned by work-related injuries or illnesses, and enhancing employee morale, for the good of Cheboygan County Road Commission.
2. To determine eligibility for receiving safety awards and to establish guidelines for giving safety awards.

**ARTICLE III
POLICIES**

The policies of this committee shall be:

1. Applied without regard to race, national origin, age, sex, religion, qualified disability, height, weight, martial status, or position held within the Cheboygan County Road Commission
2. The policies of the safety committee are not designed to usurp or attempt to usurp the authority of the Road Commission or its supervisory personnel.

**ARTICLE IV
MEMBERSHIP**

When possible, membership in the committee shall consist of:

1. The Safety Director of the Cheboygan County Road Commission, to be appointed by the Commission.
2. Plus, hourly employees as follows:
 - a. Two (2) from Cheboygan Garage
 - b. One (1) from Tower Garage
 - c. Two (2) from Indian River Garage
 - d. Should a seated member of the Committee be promoted to a supervisory position, he/she may continue as a committee member until voluntary leaving the committee or removal by 2/3rds vote of the whole committee.
3. Plus, one (1) member from Supervisory Staff
4. Plus, one (1) member from Engineering Staff

**ARTICLE V
ORGANIZATION**

The Safety Director shall make committee appointments. There is no limit as to length of term. The Safety Director shall act as Chairman of the meetings, appoint & assign the keeping of the minutes of the meetings, and shall have the last vote in matters before the committee.

Safety calendar year is December 1 – November 30.

**ARTICLE VI
MEETINGS**

Meetings shall be on a monthly basis to review accident/injury reports and plan needed or routine safety training. The Safety Director may call special meetings at any time. Insofar as possible all meetings shall be conducted during regular working hours on the second Wednesday of each month. All voting matters must be passed by a simple majority of the quorum present and performed by secret ballot. Five (5) members constitute a quorum.

**ARTICLE VII
SAFETY AWARD PROGRAM**

The following safety award/incentives are intended to encourage a safe work environment for all employees. Nothing herein should be construed as discouraging the reporting of any accident or injury.

Safety Incentive Program

All full time employees will be eligible for an annual safety cash incentive as follows:

1. The amount of the incentive will be determined at the start of each safety year by dividing \$150 by the Worker's Compensation modification factor in effect at the start of the current safety year rounded to the nearest even \$5 amount.
2. An employee will be eligible for the cash safety incentive provided none of the following occur during the safety calendar year.

- a. The employee has or causes an accident voted as a Preventable Accident, Minor Chargeable Accident or Major Chargeable Accident by the Safety Committee and approved by the Manager.
- b. The employee receives:
 - i. More than one reprimand for safety violations.
 - ii. A work related traffic ticket.
 - iii. A suspension.
2. Checks will be awarded in December.
3. All full time employees of the Cheboygan County Road Commission shall be eligible for the safety incentive program. Seasonal, temporary, part time and/or O.J.T. employees are not eligible.
5. New employees must work six (6) consecutive months to be eligible.
6. Awards will be prorated for months of work in cases of retirements or new employees.

Safety Jackets shall be awarded as follows:

1. All full-time employees who qualified for the cash incentive in two (2) of the three (3) previous consecutive safety calendar years shall be eligible for a Safety Jacket Award.
2. Any employee who has received more than one (1) violation of Section 2 of the Safety Incentive Program in any single year of the three (3) previous consecutive safety calendar years, will not be eligible for a safety jacket.
3. Jackets shall be awarded no more frequently than once every three (3) years.
4. The Safety Committee shall determine the style of jacket to be awarded subject to the budget approved by the Road Commission Board.

Safe Driver Awards will be made as follows:

1. One Cap shall be awarded at the conclusion of the safety year for each full time employee that has not had a chargeable vehicle accident or a chargeable ticket in previous safety year. The cap shall indicate the year for which the award is given. This may be in the form of a pin, embroidery, etc.
2. New employees must work six (6) consecutive months without a chargeable vehicle accident or ticket to eligible.

**ARTICLE VIII
ACCIDENT / INJURY REVIEW**

1. The Safety Committee will review all accidents involving personal injury or damage to County-owned property within reasonable time of the accident.

No one involved in the accident that is under review will vote on that accident. The Committee will review the facts of all incidents or accidents. Only the facts presented in the Accident/Incident Report will be considered for this review. Employees will be responsible submitting complete and detailed reports. Each member will cast a vote by secret ballot using the following numbers:

- 1 = Employee not at fault
- 2 = Employee caused a Preventable Accident
- 3 = Employee was careless
- 4 = Employee showed gross negligence

All votes will be averaged:

- Accidents receiving 1.5 or less, the employee was not at fault.

- Accidents receiving greater than 1.5 but no more than 2.5, they will be considered a Preventable Accident.
- Accidents receiving greater than 2.5, but no more than 3.5, will be considered a Minor Chargeable Accident due to carelessness of the employee.
- Accidents receiving greater than 3.5, the driver will be considered a Major Chargeable Accident due to negligence of the employee.

The results of the vote will be the Safety Committee's recommendation of the accident/incident classification. The recommendation will then be forwarded to the Manager for review, with input from the employee's immediate supervisor. The Manager will be responsible for final determination of the accident/incident classification and for any appropriate discipline. Any accident/incident classified, by the manager and supervisor, as Preventable, Minor or Major Chargeable will result in the employee becoming ineligible for the Safety Money.

2. An OSHA Reportable work related injury is defined as any injury or illness that involves loss of consciousness, restricted work activity or job transfer, days away from work, or medical treatment beyond first aid. Also any work-related injury or illness that is diagnosed by a physician or licensed health care professional or any work-related injury or illness that meets any of the specific recording criteria listed in 29 CFR Part 1904.8 through 1904.12.

ARTICLE IX SAFETY PROCEDURE

In the event an employee feels they have been instructed to do an unsafe act, they need to discuss this with their immediate supervisor before starting job assignment. If the employee is not satisfied then the immediate supervisor shall contact a safety committee member for a second opinion.

Employees are to report all injuries and/or accidents to their immediate supervisor in a reasonably timely manner. Reporting of an injury or accident does not automatically disqualify an employee from the Safety Award Program. However, failure to make such report could subject the employee to disciplinary action and be cause for denial of coverage for any claim made as a result of the injury or accident.

ARTICLE X NEW EMPLOYEE TRAINING (FULL TIME & TEMPORARY)

New employees shall complete the following one (1) week orientation:

1. One (1) day reviewing work rules, safety films, paperwork requirements, etc.
2. Two (2) days riding with an employee with a minimum 5 years experience.
3. One (1) day with Foreman in pickup learning route on county and/or state highways and all equipment pertaining to his/her job.
4. One (1) day with Mechanic review equipment maintenance requirements.

Some discretion and latitude in these requirements is permissible for Temporary or Seasonal employees depending on the job assignment as deemed appropriate by the employee's supervisor or the Committee.

5 Years

CARRIED

MOTION by J. Johnson seconded by C. O'Connor to receive and file the following correspondence as follows: Township Meeting Minutes: Beaugrand 2/10/16, Munro 2/9/16 and 3/9/16, Mullett 3/1/16, Grant 2/9/16, Burt 1/7/16, Tuscarora 3/1/16 and Koehler 2/8/16; Safety Committee Meeting Minutes of 3/9/16 and State Maintenance for February 2016. 5 Years

CARRIED

Engineer/Manager Shank Report:

- Club Road has been obligated and will hopefully make a May/June bid letting
- Devereaux Lake Road project expected to start April 18 along with E. Mullett Lake Road
- Burt Lake Trail project update-will start at W. Burt Lake Road to Riggsville to E. Burt Lake to Birchwood for phase II of the project.
- Bids are due April 11 for gravel, crack seal, Eagles Nest Road and E. Mullett Lake Road
- Federal FAST Act passage there has been additional funds to the Task Force, approximately \$20,000 + to Cheboygan County Road.

Commissioners Update:

Ken-Attended CRA conference and attended the Rural Task Force session, weight restrictions-loggers are looking for exemptions, and implementing changes in an organization. The general fund portion of the increase Road Commissions are expecting is not a guarantee at this point.

MOTION by J. Johnson seconded by D. Brown to go into closed session to discuss supervisory negotiations after regular session. Roll call: O'Connor-yes, Chadwick-yes, Johnson-yes, Brown-yes, Paquet-yes **CARRIED**

Recess regular meeting at 9:35 A.M.

Resume to regular open session at 9:40 A.M.

Closed session at 9:40 A.M.

MOTION by J. Johnson seconded by D. Brown to return to open session at 9:50 A.M. Roll call: Chadwick-yes, Johnson-yes, Brown-yes, Paquet-yes, O'Connor-yes **CARRIED**

Return to open session at 9:50 A.M.

Mike Gotham, Wigwam Restaurant Owner, has asked the Planning Commission for a change in use of his commercial property to sell used cars on the property. Due to the change in use the requirement for the commercial drive requires him to place curb and gutter and asphalt the apron area of his business. He does not feel he should have to spend the money on this requirement when no one else has, noted the policy is new for driveway requirements. Engineer/Manager Shank commented the requirements are there to control traffic volume, keep the gravel from spreading onto the asphalt roadway, and protect edge of the pavements from business activities. Shank suggested the only option he sees the Board could do is remove the curb and gutter requirement but the asphalt apron is required.

MOTION by J. Johnson seconded by C. O'Connor to waive the curb and gutter requirement of the commercial drive permit requirement but the asphaltting of the apron of the driveway is still required for Mike Gotham at the Wigwam Restaurant at the corner of E. Mullett Lake Road and Club Road. Deadline for the completion of the asphaltting is September 1, 2016. 5 Years **CARRIED**

Vice Chairman Chadwick adjourned regular meeting at 10:05 A.M. being no further business to come before the Board.

Nancy S. Shank