

Chairman D. Brown called the Regular Meeting of the Cheboygan County Road Commission to order at 9:00 A.M.

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

Pledge of Allegiance was recited

PRESENT: D. Brown, D. Brandt, H. Ginop, K. Paquet, Eng/Mgr B. Shank and Clerk D. Stempky

ABSENT: R. LaHaie (excused)

VISITORS: C. Veneros, F. Cribb, E. Cribb, B. Hartwig, S. Redmond, D. August, J. Moore, M. Sarrault and C. Antkoviak

Chairman D. Brown recessed regular meeting at 9:00 A.M. to hold Public Hearing for discussion of 2020 proposed budget and 2019 amended budget.

BUDGET PUBLIC HEARING OF THE CHEBOYGAN COUNTY ROAD COMMISSION December 19, 2019

Chairman D. Brown called the Budget Public Hearing to order at 9:00 A.M.

PRESENT: D. Brown, D. Brandt, H. Ginop, K. Paquet, Eng/Mgr B. Shank and Clerk D. Stempky

ABSENT: R. LaHaie (absent)

VISITORS: C. Veneros, F. Cribb, E. Cribb, B. Hartwig, S. Redmond, D. August, J. Moore, M. Sarrault and C. Antkoviak

Clerk D. Stempky discussed the Proposed 2020:

Revenues:

- MTF is projected at approximately 5.9 million, engineering reimbursement is the same each year as well as forest funds and Snow funds up a little from the previous couple years.
- Huron Pines is the balance of the contract for Alpena State Road culvert work, STP and CAT D are for the federal aid project of South River Road
- Millage approximately 1,2 million and Bridge funds is for Gainor Bridge work
- One General Fund payment for 2020
- State Maintenance 1.6 million and TWA bridge, rest areas and vac truck
- Township agreements 1.2 million
- Plan on an installment loan for 3 trucks
- Will be using fund balance to help pay for the Bridge work in 2020

Expenditures:

- Primary Heavy Maintenance: Balance Parke/Reams, VFW, E. Burt Lake Road, Gaynor Bridge and South River Road and Local Heavy Maintenance: Long Lake Road, Alpena State Road Culvert, Cordwood Trail, Sturgeon Bay Road, Wing Road, Indian Trail, Hackleburg Road, Parrots Point and Wurm Road.
- Maintenance includes summer and winter maintenance
- Administrative stayed the same as 2019, Capital outlay consists of 3 trucks and miscellaneous
- Equipment Maintenance is cost to maintain fleet with parts, indirect and fuel
- Equipment loan payment is the balance of the truck loan from 2018 and a few months of the new loan. Debt Service principal and interest is Building bond payment

Following is the Primary and Local project history over the years, as well as source of funding.

There being no questions Chairman D. Brown adjourned Public Hearing at 9:10 A.M.

Chairman D. Brown resumed Regular Session at 9:10 A.M.

MOTION by K. Paquet seconded by H. Ginop to approve minutes of last regular meeting of 12/5/2019 as mailed. 4 Yeas 1 Absent (LaHaie) CARRIED

MOTION by D. Brandt seconded by K. Paquet to approve for payment current payroll voucher #19-49-\$116,453.09 and accounts payable voucher #19-50-\$312,007.50. 4 Yeas 1 Absent (LaHaie) CARRIED

MOTION by D. Brandt seconded by K. Paquet to approve agenda as presented. 4 Yeas 1 Absent (LaHaie) CARRIED

M. Ridley, Tuscarora Township, Update on street scape project. Eng/Mgr Shank had noted to M. Ridley that he does not fell trees should be placed in the ROW with the project. If they want trees, they will need to get the approval of the Road Commission Board. Eng/Mgr Shank commented trees in a ROW mean additional maintenance, from leaves in drains, sidewalks cracking from root system over time. Board feels only allow trees outside of the ROW behind the sidewalks.

MOTION by D. Brandt seconded by K. Paquet to approve 2020 proposed budget and 2019 amended budget as presented, allow to adjust the budget after December 31, 2019 to modify various revenue and expenditure accounts which cannot be accurately projected prior to year end and made a part of the minutes. 4 Yeas 1 Absent (LaHaie) CARRIED

Tandem Axle Truck bids were received and opened on December 17, 2019. A total of 4 bids were received from Grand Traverse Diesel Service, Michigan Kenworth, Zarembo Equipment and Freightliner of Grand Rapids. Board feels strongly staying with the same brand and not diversifying to keep the parts inventory compatible for the whole fleet.

MOTION by K. Paquet seconded by H. Ginop to accept all bids for (3) Three Tandem Axle Cab and Chassis, allow Management more time to review bids and award at a later date. 4 Yeas 1 Absent (LaHaie) CARRIED

MTA 2020 schedule presented, assigned a Road Commissioner to attend each session.

MOTION by D. Brandt seconded by K. Paquet to authorize Clerk D. Stempky to run a final accounts payable before year end if necessary. 4 Yeas 1 Absent (LaHaie) CARRIED

Eng./Mgr Shank noted the CRA Highway Conference is scheduled for March 10-12 and requesting Himself, Travis and Dana attend that as well There are multiple sessions that can be attended if there were a few more bodies. Noted there is an Engineering, Communications, Finance and Commissioners track being held for subjects.

MOTION by H. Ginop seconded by K. Paquet to approve H. Ginop, Eng/Mgr B. Shank, T. Horrocks, and D. Stempky to attend the CRA Highway Conference, March 10-12, 2020, in Lansing. 4 Yeas 1 Absent (LaHaie) CARRIED

MOTIUON by D. Brandt seconded by H. Ginop to receive and file the following correspondence: Township Meeting Minutes: Koehler 11/11/19, Mullett 12/3/19, Munro 11/12/19 and 12/10/19 and Aloha 11/11/19. 4 Yeas 1 Absent (LaHaie) CARRIED

Eng/Mgr requesting closed session for his evaluation after regular session

Eng/Mgr Shank Update:

- Morningstar Cleaning will be paid the balance of December request and will be requesting the contractor to make an adjustment to the contract for April and December for daily costs to cover April and December for the next two years of their contract.
- Will be looking at options for the Cheboygan Garage lunch room
- New Tech starting January 2, 2020

Foremen:

D. August-winter maintenance, patching and sent a couple operators to help Cheboygan crew
S. Redmond-winter maintenance, brushing and window fan replaced in shop

Chairman D. Brown recessed regular meeting at 10:00 AM., before going into session to discuss Eng/Mgr Shank evaluation.

Chairman D. Brown resumed to regular session at 10:05 A.M.

Eng/Mgr Shank requested closed session for evaluation

MOTION by D. Brandt seconded by K. Paquet to go into closed session at 10:10 A.M. at the request of Eng/Mgr Shank for 6 month evaluation. 4 Yeas 1 Absent (LaHaie) CARRIED

MOTION by D. Brandt seconded by K. Paquet to return to open session at 11:10 A.M. 4 Yeas 1 Absent (LaHaie) CARRIED

No visitors present

Chairman D. Brown adjourned regular meeting being no further business to come before the Board at 11:10 A.M..

David D. Brown, Chairman

Dana S. Stempky, Clerk

**CHEBOYGAN COUNTY ROAD COMMISSION
UNIFORM BUDGET ACT BUDGET
12/31/2019**

REVENUES	ACTUAL 2018	ESTIMATE 2019	PROPOSED 2020
County Road Revenues	\$ 9,625,348.00	\$ 10,094,537.00	\$ 10,897,272.00
M.D.O.T. Revenues	<u>\$ 2,141,613.00</u>	<u>\$ 2,300,000.00</u>	<u>\$ 2,248,099.00</u>
Total Revenues	\$ 11,766,961.00	\$ 12,394,537.00	\$ 13,145,371.00
Beginning Operating Fund	<u>\$ 3,798,327.00</u>	<u>\$ 4,774,743.00</u>	<u>\$ 4,799,054.00</u>
Total Accounted For	\$ 15,565,288.00	\$ 17,169,280.00	\$ 17,944,425.00
EXPENDITURES	ACTUAL 2018	ESTIMATE 2019	PROPOSED 2020
County Road Expenditures	\$ 8,851,387.00	\$ 10,070,226.00	\$ 12,054,429.00
M.D.O.T. Expenditures	<u>\$ 1,939,158.00</u>	<u>\$ 2,300,000.00</u>	<u>\$ 2,248,099.00</u>
Total Expenditures	\$ 10,790,545.00	\$ 12,370,226.00	\$ 14,302,528.00
Ending Operating Fund	<u>\$ 4,774,743.00</u>	<u>\$ 4,799,054.00</u>	<u>\$ 3,641,897.00</u>
Total Accounted For	\$ 15,565,288.00	\$ 17,169,280.00	\$ 17,944,425.00

2019 Budget and 2019 Estimate Amended Comparison

<u>REVENUES</u>	<u>2019 Budget</u>	<u>2019 Estimate Amended Budget</u>
MI Transportation Funds - Primary	\$ 2,946,062.00	\$ 3,080,000.00
MI Transportation Funds - Local	\$ 2,624,107.00	\$ 2,800,000.00
MI Transportation Funds - Engineering	\$ 10,000.00	\$ 10,000.00
MI Transportation Funds - Snow	\$ 189,812.00	\$ 209,364.00
Millage	\$ 1,251,000.00	\$ 1,247,473.00
State and Federal Funds - Forest Funds	\$ 119,633.00	\$ 119,632.00
Safety Funds/STP/Federal/FWS	\$ 100,720.00	\$ 460,000.00
STP-Primary	\$ 1,227,564.00	\$ 1,076,368.00
State and Federal Funds - CAT D/GF	\$ 226,711.00	\$ 246,000.00
Maintenance Advance	\$ -	\$ -
MDOT Contract and Non-Maintenance	\$ 1,869,777.00	\$ 2,300,000.00
Township Agreements	\$ 192,940.00	\$ 745,000.00
Permit Fees	\$ 37,800.00	\$ 37,000.00
Interest	\$ 3,000.00	\$ 3,700.00
Miscellaneous	\$ 50,000.00	\$ 60,000.00
	\$ -	\$ -
TOTAL REVENUES	\$ 10,849,126.00	\$ 12,394,537.00

<u>EXPENDITURES</u>		
Primary Construction	\$ -	\$ 309,000.00
Primary Roads - Heavy Maintenance	\$ 3,135,275.00	\$ 2,800,000.00
Local Roads-Heavy Maintenance	\$ 502,322.00	\$ 1,000,000.00
Primary Roads-Routine Maintenance	\$ 2,463,700.00	\$ 2,500,000.00
Local Roads-Routine Maintenance	\$ 2,184,769.00	\$ 2,700,000.00
MDOT Contract	\$ 1,869,777.00	\$ 2,300,000.00
Administrative Expense	\$ 700,000.00	\$ 700,000.00
Administrative Credits	\$ (190,000.00)	\$ (210,000.00)
Debt Service Interest	\$ 54,925.00	\$ 49,420.00
Capital Outlay	\$ 320,000.00	\$ 422,000.00
Depreciation	\$ (469,000.00)	\$ (469,000.00)
Debt Service Principal	\$ 140,000.00	\$ 140,000.00
Equipment Loan Payment	\$ 128,806.00	\$ 128,806.00
Equipment Maintenance	\$ 2,485,000.00	\$ 2,500,000.00
Equipment Rents	\$ (2,485,000.00)	\$ (2,500,000.00)
Maintenance Advance	\$ 8,552.00	\$ -
TOTAL EXPENDITURES	\$ 10,849,126.00	\$ 12,370,226.00

2020 Proposed Budget

Fund Balance Usage \$ 1,157,157.00

REVENUES

MI Transportation Funds-Primary	\$ 3,166,426.00
MI Transportation Funds-Local	\$ 2,823,786.00
MI Transportation Funds-Engineering	\$ 10,000.00
MI Transportation Funds-Snow	\$ 209,364.00
State/Federal Funds-Forest	\$ 119,633.00
Huron Pines/FWS	\$ 6,975.00
STP- Primary	\$ 613,000.00
State/Federal Funds-CAT D	\$ 70,325.00
Millage Revenue	\$ 1,251,000.00
Safety Funds/STP/Bridge Funds	\$ 555,180.00
General Fund	\$ 342,370.00
MDOT Maintenance and Non-Maintenance	\$ 2,248,099.00
Township Agreements	\$ 1,228,813.00
Interest	\$ 2,600.00
Permits	\$ 37,800.00
Miscellaneous	\$ 50,000.00
Installment Loan	\$ 410,000.00
TOTAL REVENUES	\$ 14,302,528.00

EXPENDITURES

Primary Roads-Heavy Maintenance	\$ 4,035,870.00
Local Roads-Heavy Maintenance	\$ 1,875,515.00
Primary Roads-Routine Maintenance	\$ 2,500,000.00
Local Roads-Routine Maintenance	\$ 2,750,000.00
MDOT Contract	\$ 2,248,099.00
Administrative Expense	\$ 700,000.00
Administrative Credits	\$ (190,000.00)
Capital Outlay	\$ 460,000.00
Depreciation	\$ (469,000.00)
Equipment Maintenance	\$ 2,500,000.00
Equipment Rents	\$ (2,500,000.00)
Equipment Loan Payment	\$ 200,156.00
Debt Service Principal	\$ 140,000.00
Debt Service Interest	\$ 51,888.00
TOTAL EXPENDITURES	\$ 14,302,528.00