

REGULAR MEETING OF THE CHEBOYGAN COUNTY ROAD COMMISSION DECEMBER 15, 2016

Chairman J. Johnson 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.

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

**VISITORS:** H. Ginop, C. Muscott, T. Matelski, C. Veneros, F. Cribb, J. Moore, S. Redmond, D. Brandt, M. Ridley, G. Archambo, K. Hahn and T. Horrocks.

Chairman recessed Regular Meeting to go into Public Hearing to discuss Proposed Budget at 9:10 A.M.

**PUBLIC HEARING OF THE CHEBOYGAN COUNTY ROAD COMMISSION DECEMBER 15, 2016**

Public Hearing was held to discuss 2016 amended budget and proposed 2017 budget.

Engineer/Manager Shank started discussion with power point presentation of the 2016 and 2017 budget information. 2016 estimate amended revenues: Michigan Transportation Funds for primary and local have been running up approximately 2% for the year; Snow and Millage funds are up a little more than budgeted; STP Primary and Cat D funds were for Devereaux Lake Road and Onaway Road; General Fund revenue shows less due to how was accounted for in 2015/2016; clerk Stempky noted the MDOT State Maintenance revenue includes Maintenance contract, TWA's for draw bridge, rest area, culvert clean outs and gravel as well as the proposed audit adjustment expected. Township revenues are up because do not budget for projects until agreements are signed. On expenditure side for 2016: Heavy Maintenance for Primary was up due to a portion of E. Mullett Lake completed with the help of Mullett Township and Local Heavy Maintenance up due to projects being completed. Discussion of 2017 Revenues: Michigan Transportation Funds for Primary and Local include the proposed increases, STP and Cat D Primary funds have one project planned at this time, Proposed millage revenue is up a little; Safety projects are planned. MDOT State Maintenance is equivalent to 2016 beginning budget with the TWA's for drawbridge and Rest Areas. Township Agreement revenue includes the Local Allocation Policy expected. Expenditures for 2017 for Primary Heavy Maintenance includes Federal Aid Project for E. Mullett Lake Road, Two millage projects for Mullett Burt Road and S. Straits Hwy and various Guardrail projects. The Local Heavy Maintenance projects include various guardrail projects, Mullett Lake Road Safety and Local Township Program. Clerk noted some of the Maintenance items for 2017 are: pavement markings and gravel crushing in Meyer Pit. Capital Outlay includes 2 single axle trucks and fit outs, copier and miscellaneous for things that pop up such as underbodies and major overhauls on trucks stated Clerk. Loan for truck was paid off so the only payment is the Bond Payment on the Building.

Chairman Johnson asked if there were any other questions or comments regarding the budget items presented. There being no further questions or comments the Chairman adjourned the Budget Public Hearing at 9:10 A.M.

Chairman Johnson resumed the regular meeting at 9:10 A.M.

Pledge of Allegiance was recited

**MOTION by K. Paquet seconded by R. Chadwick to approve minutes of last regular meeting of 12/1/16 as mailed. 5 Yeas** **CARRIED**

**MOTION by D. Brown seconded by R. Chadwick to approve for payment current payroll voucher #16-48-\$97,737.38 and accounts payable voucher #16-49-\$120,223.59. 5 Yeas** **CARRIED**

**MOTION by D. Brown seconded by R. Chadwick to approve agenda as presented. 5 Yeas** **CARRIED**

Carl Muscott commended the Tuscarora Township Board for not approving the land split requested of CCRC for lot located in Plymouth Beach. Feels per the deed was given to the Road Commission for water access and public use and if was split and sold not what it was originally intended too.

Tuscarora Township Streetscape design requests from Tuscarora DDA was discussed and a power point with illustrations was presented by Engineer/Manager Shank as follows:

- Parameters-Recommendations leave the proposed centerline at the existing location with no shifting or offsets, a minimum of 26 feet of asphalt (11 foot lanes) and allow some bump outs at intersection. Parallel parking 10 foot wide including curb span.
- Traffic calming would be to add the bump outs at intersections, preliminary would be approximately 5 areas for bump outs and pedestrian crossings.
- Financial help-We have budgeted \$40,000 to fix the reverse angle parking area, plan on doing work ourselves with contacting the concrete and such, estimate around \$25,000 and could use the balance of the \$40,000 budgeted as well as Tuscarora Township could request \$25,000 through the Local Road Allocation policy.

**MOTION by K. Paquet seconded by R. Chadwick to allow Engineer/Manager Shank to respond to Tuscarora Township and Tuscarora Township DDA the recommendations as stated above for the downtown streetscape for S. Straits Hwy. 5 Yeas** **CARRIED**

**MOTION by D. Brown seconded by K. Paquet to approve the 2016 Amended estimate budget and the proposed 2017 budget as presented and attached, and allow to adjust the budget after December 31, 2016 to modify various revenue and expenditure accounts which cannot be accurately projected prior to year end. Roll call: Paquet-yes, Brown-yes, Chadwick-yes, O'Connor-yes, Johnson-yes** **CARRIED**

Clerk Stempky presented Defined Benefit Adoption agreements for divisions 01, 12 and 13 to change the Employee contribution rate to a 2.5% at various effective dates, Non Union January 1, 2017; Drivers, Mechanics and Operators for April 1, 2017 and Foremen for June 1, 2017 per their bargaining agreements.

**MOTION by D. Brown seconded by R. Chadwick to approve Defined Benefit Plan Adoption Agreements as follows: Division 13-Effective January 1, 2017 a 2.5% employee contribution, Division 12-Effective April 1, 2017 a 2.5% employee contribution rate and Division 01-Effective April 1, 2017 a 2.5% employee contribution rate with the exception of the Foremen in Division 01 to be effective June 1, 2017, authorize Chairman Johnson to sign the same. Roll Call: Brown-yes, Chadwick-yes, O'Connor-yes, Paquet-yes, Johnson-yes** **CARRIED**

Engineer/Manager Shank 6 month evaluation will be discussed after regular agenda finished per Engineer/Manager Shank to hold in closed session.

**MOTION by K. Paquet seconded by C. O'Connor to authorize payment of a final accounts payable before the end of the 2016 year. 5 Yeas** **CARRIED**

**MOTION by D. Brown seconded by K. Paquet to receive and file the following correspondence: Township Meeting Minutes: Aloha 9/12/16 and 10/10/16, Burt 11/3/16 and Munro 10/11/16; November State Maintenance and Safety Committee Meeting Minutes of 11/30/16. 5Yeas** **CARRIED**

K. Paquet attended CRA seminar on legal symposium and funding 401, also attended Benton Township Meeting and County Board of Commissioners Meeting in which they approve the Township loan program.

D. Brown withed Johnson and Chadwick well and enjoyed working with them

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**CHEBOYGAN COUNTY ROAD COMMISSION  
UNIFORM BUDGET ACT BUDGET  
12/31/2017**

<b>REVENUES</b>	<b>ACTUAL 2015</b>	<b>ESTIMATE 2016</b>	<b>PROPOSED 2017</b>
County Road Revenues	\$ 7,512,766.00	\$ 7,095,484.00	\$ 7,298,843.00
M.D.O.T. Revenues	\$ 1,998,153.00	\$ 2,126,168.00	\$ 1,701,063.00
Total Revenues	\$ 9,510,919.00	\$ 9,221,652.00	\$ 8,999,906.00
Beginning Operating Fund	\$ 3,080,820.00	\$ 3,375,588.00	\$ 3,002,005.00
Total Accounted For	\$ 12,591,739.00	\$ 12,597,240.00	\$ 12,001,911.00
<b>EXPENDITURES</b>	<b>ACTUAL 2015</b>	<b>ESTIMATE 2016</b>	<b>PROPOSED 2017</b>
County Road Expenditures	\$ 7,489,914.00	\$ 7,693,067.00	\$ 7,298,843.00
M.D.O.T. Expenditures	\$ 1,726,237.00	\$ 1,902,168.00	\$ 1,701,063.00
Total Expenditures	\$ 9,216,151.00	\$ 9,595,235.00	\$ 8,999,906.00
Ending Operating Fund	\$ 3,375,588.00	\$ 3,002,005.00	\$ 3,002,005.00
Total Accounted For	\$ 12,591,739.00	\$ 12,597,240.00	\$ 12,001,911.00

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**2016 Budget and 2016 Estimate Amended Comparison**

<u>REVENUES</u>	<u>2016 Budget</u>	<u>2016 Estimate Amended Budget</u>
MI Transportation Funds - Primary	\$ 1,966,800.00	\$ 2,058,618.00
MI Transportation Funds - Local	\$ 1,770,700.00	\$ 1,859,578.00
MI Transportation Funds - Engineering	\$ 10,000.00	\$ 10,000.00
MI Transportation Funds - Snow	\$ 138,000.00	\$ 143,666.00
Millage	\$ 1,157,700.00	\$ 1,175,861.00
State and Federal Funds - Forest Funds	\$ 119,635.00	\$ 119,634.00
Trailways/STP/US Fish Wildlife/CDBG	\$ -	\$ 7,057.00
STP-Primary	\$ 718,221.00	\$ 742,375.00
State and Federal Funds - CAT D	\$ 179,555.00	\$ 186,189.00
PA 84 General Fund	\$ 445,868.00	\$ 295,960.00
MDOT Contract and Non-Maintenance	\$ 1,561,912.00	\$ 2,126,168.00
Township Agreements	\$ 51,468.00	\$ 780,643.00
Permit Fees	\$ 30,000.00	\$ 34,040.00
Interest	\$ 2,100.00	\$ 2,172.00
Miscellaneous	\$ 50,000.00	\$ 33,085.00
	\$ -	\$ -
<b>TOTAL REVENUES</b>	<b>\$ 8,201,959.00</b>	<b>\$ 9,575,046.00</b>

<u>EXPENDITURES</u>		
Primary Roads - Heavy Maintenance	\$ 2,055,630.00	\$ 2,485,055.00
Local Roads-Heavy Maintenance	\$ 5,000.00	\$ 559,379.00
Primary Roads-Routine Maintenance	\$ 2,107,610.00	\$ 1,510,000.00
Local Roads-Routine Maintenance	\$ 1,929,482.00	\$ 2,289,000.00
MDOT Contract	\$ 1,561,912.00	\$ 1,902,168.00
Administrative Expense	\$ 590,000.00	\$ 605,445.00
Administrative Credits	\$ (150,000.00)	\$ (179,500.00)
Interest	\$ 62,825.00	\$ 57,520.00
Capital Outlay	\$ 155,000.00	\$ 156,406.00
Depreciation	\$ (320,000.00)	\$ (465,000.00)
Debt Payments	\$ 125,000.00	\$ 130,000.00
Equipment Loan Payments	\$ 79,500.00	\$ 134,762.00
Equipment Maintenance	\$ 2,150,000.00	\$ 2,520,000.00
Equipment Rents	\$ (2,150,000.00)	\$ (2,110,000.00)
<b>TOTAL EXPENDITURES</b>	<b>\$ 8,201,959.00</b>	<b>\$ 9,595,235.00</b>

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2017 Proposed Budget

REVENUES

MI Transportation Funds-Primary	\$ 2,510,141.00
MI Transportation Funds-Local	\$ 2,172,958.00
MI Transportation Funds-Engineering	\$ 10,000.00
MI Transportation Funds-Snow	\$ 143,000.00
State/Federal Funds-Forest	\$ 119,635.00
STP- Primary	\$ 479,545.00
State/Federal Funds-CAT D	\$ 169,079.00
Millage Revenue	\$ 1,183,387.00
Safety Funds/STP/Federal	\$ 232,206.00
	\$ -
MDOT Maintenance and Non-Maintenance	\$ 1,701,063.00
Township Agreements	\$ 196,792.00
Interest	\$ 2,100.00
Permits	\$ 30,000.00
Miscellaneous	\$ 50,000.00
<b>TOTAL REVENUES</b>	<b>\$ 8,999,906.00</b>

EXPENDITURES

Primary Roads-Heavy Maintenance	\$ 1,998,522.00
Local Roads-Heavy Maintenance	\$ 476,496.00
Primary Roads-Routine Maintenance	\$ 2,176,302.00
Local Roads-Routine Maintenance	\$ 1,847,248.00
MDOT Contract	\$ 1,701,063.00
Administrative Expense	\$ 610,000.00
Administrative Credits	\$ (165,000.00)
Capital Outlay	\$ 485,000.00
Depreciation	\$ (320,000.00)
Equipment Maintenance	\$ 2,150,000.00
Equipment Rents	\$ (2,150,000.00)
	\$ -
Debt Payment Principal	\$ 130,000.00
Interest Debt	\$ 60,275.00
<b>TOTAL EXPENDITURES</b>	<b>\$ 8,999,906.00</b>

REGULAR MEETING OF THE CHEBOYGAN COUNTY ROAD COMMISSION DECEMBER 15, 2016

J. Johnson recessed regular meeting at 9:35 A.M. before going into closed session.

Resume regular session at 9:45 A.M.

**MOTION by D. Brown seconded by K. Paquet to go into closed session per request of Engineer/Manager Shank for 6 month evaluation and wages. Roll Call: Chadwick-yes, O'Connor-yes, Paquet-yes, Brown-yes, Johnson-yes** **CARRIED**

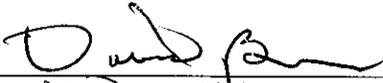
Closed session at 9:45 A.M.

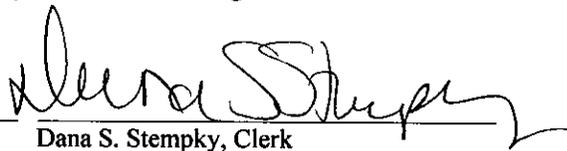
Return to open session at 10:01 A.M.

**MOTION by K. Paquet seconded by D. Brown to open negotiations on contract for Engineer/Manager Shank proposing a 4 year ending 2020. 5 Yeas** **CARRIED**

**MOTION by K. Paquet seconded by R. Chadwick to approve 2017 salary increase of 5% for Engineer/Manager Shank. Roll call: O'Connor-yes, Paquet-yes, Brown-yes, Chadwick-yes, Johnson-yes** **CARRIED**

Chairman J. Johnson adjourned regular meeting at 10:02 A.M. being no further business to come before the Board.

  
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David P. Brown, Chairman

  
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Dana S. Stempky, Clerk