

HILLSDALE COUNTY ROAD COMMISSION

November 13, 2014

MINUTES

Meeting was called to order by Chair Bob Godfrey on Thursday, November 13, 2014, at 10:00 a.m. at the road commission office.

Members present: Bob Godfrey, Mike Parney & Bill Watkins.

Staff present: Stanley Clingerman, Engineer-Manager & Janet Aemisegger, Clerk.

Visitor present: Andy Barrand, Hillsdale Daily News.

Agenda Approved

Having reviewed the agenda for this date, no additions, deletions or corrections were requested. The chair declared the agenda to stand approved as presented.

Minutes Approved

Having reviewed the minutes of the October 30, 2014, meeting, there were no additions, deletions or corrections to be noted. The chair declared the minutes to stand approved as presented.

CONFIRMATION OF PAYROLL AS AUTHORIZED FOR PAYMENT BY THE STAFF

#14-162 Mike Parney moved, Bill Watkins seconded, to confirm the payment of the payroll in the amount of \$76,391.37 per Payroll Check Register dated 11/06/2014 as authorized by the engineer-manager and the clerk. Motion carried.

ACCOUNTS PAYABLE APPROVED

#14-163 Mike Parney moved, Bill Watkins seconded, to confirm the payment of bills in the amount of \$147,884.55 and the electronic funds transfer in the amount of \$25,642.51 for a total amount of \$173,527.06 per Accounts Payable Check Register dated 11/13/2014. Motion carried.

Treasurer's Report Presented

The treasurer's report was presented by the clerk as follows:

Beginning Balance-Cash & Investments		\$2,530,245.74
Receipts:		
11/06/2014 R. 42743-R. 42745	\$ 658.10	
11/13/2014 R. 42747-R. 42751	\$ 24,176.99	
11/06/2014 MTF/BMF's	\$382,151.22	

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Treasurer's Report Continued

11/06/2014 PA 252 of 2014 Funds -1Q	\$100,999.04	
11/13/2014 State Maintenance (Oct., 2014)	\$ 30,058.95	
Total Receipts		\$ 538,044.30
Disbursements:		
11/04/2014 Payroll & Mat SS	\$ 82,042.98	
Less: MERS EFT Deductions	\$ (5,382.05)	
Less: Hlth Insur Prem Deduc	\$ (269.56)	
	\$ 76,391.37	
11/13/2014 Accounts Payable	\$147,884.55	
11/13/2014 MERS EFT Payment	\$ 25,636.99	
11/13/2014 Sales Tax EFT Payment	\$ 5.52	
Total Disbursements:		(\$ 249,918.43)
Ending Cash & Investments Balance		\$2,818,371.61
Less: Bonds in Escrow		(\$ 18,750.00)
Less: Reserve Funds-Territorial Rd. Resurf Proj-PRIP Funds		(\$1,550,000.00)
Ending Available Fund Balance		\$ 1,249,621.61
Note: Outstanding Accounts Payable=\$68,644.67		

As there were no questions or comments regarding the report, the chair declared the report to stand approved as read.

Status of Proposed Relinquishment-End of E. Diane Drive-Lk. Diane-to Lake Association

On October 2, 2014, the Lake Diane Property Owners' Association met with the board to discuss their plans to reconstruct their boat launch ramp on the west side of the dead-end on E. Diane Drive. Engineer-Manager Stanley Clingerman had met with the representatives prior and had suggested that it might be in the best interest for both parties for the road commission to abandon the end of the county road beyond their pavilion (144 feet). Due to changes in the law for abandonments of road ends at a lake, the abandoned road end would have to be offered to the township first, then the state DNR next and then the lake association. Upon checking with the DNR, they replied they had no interest in the road end if it were to be abandoned. Bob Godfrey reported that Amboy Township decided at their meeting last night, that instead of abandonment of the road end, they'd prefer that the road commission consider issuing a permit to the Lake Diane Property Owners' Association to perform work in the road right-of-way after submitting an acceptable plan for the reconstruct.

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Given the comments from several lake residents at the October 30th road board meeting, Mr. Clingerman recommended that it may be best not to relinquish the road ending and to issue the permit to the lake association as suggested by the township. It was the general consensus of the road board not to relinquish jurisdiction. They agreed the Association should apply for a permit to work in the road right-of-way instead.

Update Re: W. Litchfield Road Bridge Replacement Over Sand Creek

In conjunction with the bridge inspections performed earlier this month by Eric Rickert with the Great Lakes Engineering Group, the W. Litchfield Road bridge over Sand Creek was inspected on November 6th. As a result, the inspector has recommended the bridge's closure due to holes in the steel I-beams. Mr. Clingerman updated the board with the following history and on the actions taken as follows:

- The load posting has been reduced 4 times since 2007 from 57 tons to 11 tons due to severe deterioration of the steel beams.
- Plans are underway to close the bridge on Friday, November 14.
- A signed detour is being established via Hadley, County Line Road, and M-99 (5 miles).
- Fortunately, the bridge was recently selected for bridge replacement funding for 2017. Stan contacted MDOT to advise of the closure and MDOT has agreed to advance the funding to 2015!!
- HCRC started the design process in 2013. Preliminary plans are done and the MDEQ permit has been secured! The new bridge will be a 38' span concrete box beam bridge with an estimated replacement cost of \$650,000. Should be able to bid the project next spring and replace the bridge in July thru September 2015.

Mr. Clingerman noted that he personally visited all of the property owners who live near the bridge, as well as the township supervisor, to advise them of the bridge closing and the earlier replacement schedule. He said the programming package was submitted yesterday. A late summer replacement will work well with our schedule as we have four big asphalt overlay projects scheduled for the spring of 2015. Mr. Clingerman noted that he sent a thank-you note to the MDOT representative for allowing this project to be accelerated.

FINANCIAL AUDIT CONTRACT EXTENSION-REHMANN-ROBSON APPROVED

#14-164 Bill Watkins moved, Mike Parney seconded, to extend the current financial audit contract (2014 audit cost = \$6,200) with Rehmann-Robson for another 3 years (2015-2016-2017) at an annual cost of \$6,500, \$6,600 and \$6,700 respectively and to approve and sign a contract extension for the same. Carried.

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Cash Revenues & Expenses as of October 31, 2014

The board reviewed the actual cash revenues and expenses as of October 31, 2014. A summary of the expenses and revenues follows:

	<u>Actual</u>	<u>Budget</u>
Revenues	\$5,834,670	\$6,713,400
Expenses	\$5,739,286	\$6,584,000
Revenues over (under) expense	\$ 95,684	\$ 129,100

The engineer-manager mentioned the following highlights of the report:

- Still holding a slight surplus in the ending fund balance although it's down from the last few months.
- Deficit of \$246,727 for the month as there were more monthly expenses than revenues due to paying off final balances due for asphalt emulsion, hot mix asphalt, etc.
- Parts expense at \$160,673 is the highest ever since we've been preparing the cash budget and we've still got two months of the year to go so the rough winter showed up.
- Went over budget on asphalt emulsion and hot mix asphalt as we added 6 miles.

Update on Southeastern Council Meeting – November 4, 2014

The engineer-manager updated those present on the Southeastern Council meeting held in Jackson on November 4th and presented the following summary:

- Reviewed/revise CRA Legislative priorities.
- No tree cutting from May 1 to October 31 due to endangered northern long-eared bat per MDEQ.
- New part-time CRA staff engineer soon.
- Specialty Claims will no longer handle MCRCSIP claims after December 31.
- Washtenaw County Board of Commissioners adopted an ordinance to levy 0.5 mill for road and bridge repairs under PA283 of 1909. – will raise \$7.25 million for 2015 projects.

Mr. Clingerman said it was a good meeting with discussion going into the afternoon. Bill Watkins noted that Steve Purri, retired Washtenaw CRC engineer, will probably be the new part-time County Road Association staff engineer and should already be on board by now. Mr. Clingerman said he's not sure if Mark Jahnke's retirement from Specialty Claims had anything to do with it, but Specialty Claims has decided they will no longer handle the MCRCSIP liability claims after the end of the year. Gayle Pratt, MCRCSIP Director, is considering bringing the claims handling in-house. She also has the option of using the same new claims administrators as CRASIF, Mackinaw Administrators.

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Mr. Clingerman noted that the last thing of importance is that the Washtenaw County stumbled onto an old state law that predates most road commissions as it was adopted in 1909. As a result, the Washtenaw County Board of Commissioners adopted an ordinance to levy 0.5 mill for road and bridge repairs under PA 283 of 1909, which will raise \$7.25 million for 2015 projects. Washtenaw is the first county to do this. Thus, the Washtenaw CRC laid out a plan for road and bridge work. Mr. Clingerman obtained a copy of their project map showing how they distributed the projects throughout each county commissioner's district. The resolution/plan was adopted in October. The Washtenaw County Board disseminated information on the law to other counties and Mr. Clingerman said Hillsdale County Commissioner Mark Wiley has already contacted him to see what we think about this. Stay tuned!

Annual Township/Road Commission Meeting Schedule Discussed

A tentative schedule for the annual township/road commission meetings to be held in January, 2015, was presented for the board's review and comments before being mailed out. Bob Godfrey suggested the schedule be accelerated by having more meetings all in one day. It is proposed that the meetings would start on January 8th. The engineer-manager agreed to work on revising the schedule.

Health Insurance Committee Recommendation for Agent & 2015 Health Plan(s)

On Wednesday, November 12, 2014, the Health Insurance Committee held an employee meeting, including a very informational power point presentation, to present their findings regarding the 2015 health insurance plans, agent options and the costs. At this time, Health Insurance Committee representative, Heather Boyd, proceeded to present the same power point presentation to the board so they would be privy to the same information. The 2015 health insurance renewal rates increased as follows: BCBS +2.61% and BCN +8.85%.

Having consulted three agents, all of them agreed that our two current plans—the BCBS Simply Blue H S A Silver PPO plan and the BCN H S A Gold HMO plan—are the best plans for our group for next year. Upon reviewing the renewal rates for our current plans as quoted by the 3 agents, it was confirmed that the rates stayed the same no matter which agent was used. Upon having the employees cast advisory ballots indicating which agent they might prefer, the majority chose to stay with our current agent as the results indicated below:

Finkbeiner & Associates	21
Cadillac Insurance with "extra frills"	4
Cadillac Insurance without "extra frills"	8
Barrett Insurance	0

The Committee met earlier this date and agreed to recommend to the board that the two current health insurance plans be retained, as well as our current agent, Chuck Finkbeiner. The committee also looked at aggregating the difference in premiums over/under the state cap so all employees paid/received the same amounts, but the committee decided it was most agreeable to

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follow the same policy as in the past and let each plan stand on its own. Thus, that calculation will be left as is for 2015.

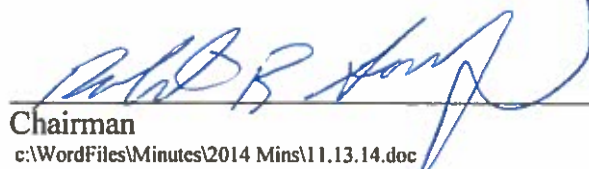
CURRENT HEALTH INSURANCE PLANS AND AGENT TO BE RETAINED FOR 2015

#14-165 Mike Parney moved, Bill Watkins seconded, to accept the Health Insurance Committee's recommendation to retain the two current health insurance plans--the BCBS Simply Blue H S A Silver PPO plan and the BCN H S A Gold HMO plan--as well as our current agent, Chuck Finkbeiner of Finkbeiner & Associates. Motion carried.

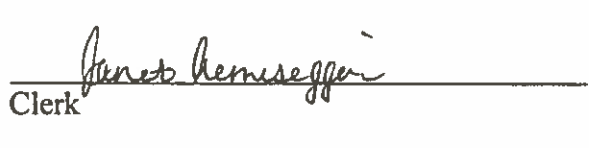
The "2015 Health Insurance Selection" forms will be distributed to all eligible employees so they can indicate if they prefer to stay on the health insurance plan they are currently on or if they want to switch plans. The forms are to be returned to the office before the Thanksgiving holiday (i.e. no later than Wednesday, November 26th). Once the census for each plan is verified and the actual premium costs are calculated accordingly and compared to the state cap, the final employee health insurance contributions/bonuses will be calculated with the final results announced as soon as possible.

Meeting Adjourned – 11:30 a.m.

As there was no further business, the chair declared the meeting adjourned at 11:30 a.m.


Chairman

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Clerk