

HILLSDALE COUNTY ROAD COMMISSION

April 29, 2015

MINUTES

Meeting was called to order by Chair Mike Parney on Wednesday, April 29, 2015, at 10:00 a.m. at the road commission office.

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

Staff present: Stanley Clingerman, Engineer-Manager & Angela Lawler, Secretary.

Staff absent: Janet Aemisegger, Clerk (vacation).

Visitors present: Andy Barrand, Hillsdale Daily News.
Scott Donihue, Ryan & Bradshaw
Harold Wilkes, Mechanical Extremes

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 April 16, 2015, 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

#15-058 Bob Godfrey moved, Bill Watkins seconded, to confirm the payment of the payroll in the amount of \$70,908.92 per Payroll Check Register dated 4/23/2015 as authorized by the engineer-manager and the clerk. Motion carried.

ACCOUNTS PAYABLE APPROVED

#15-059 Bills in the amount of \$206,155.29 per Accounts Payable Check Register dated 4/29/2015 were presented for board approval. Bill Watkins moved, Bob Godfrey seconded, that these bills be allowed and orders drawn for the same. Motion carried.

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Treasurer's Report Presented

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

Beginning Balance-Cash & Investments \$2,900,781.98

Receipts:

04/23/2015 R. 43030-R. 43044 \$ 14,726.47
04/29/2015 R. 43045-R. 43049 \$ 842.79

Other Revenue:

04/21/2015 NOW Interest (March) 0.01
04/21/2015 PBS Interest (March) 307.28
04/21/2015 MMS Interest (March) 29.85
04/21/2015 SMBT Interest (March) 25.51
04/21/2015 State Maint. (March 2015) 47,608.60

Total Receipts \$ 63,540.51

Disbursements:

04/21/2015 Payroll & Mat SS \$76,286.65
Less: MERS EFT Deductions \$(4,526.07)
Less: Hlth Insur Prem Deductions \$(439.64)
Less: Den/Vis Prem Deductions \$(412.02)
\$ 70,908.92
04/29/2015 Accounts Payable \$ 206,155.29

Total Disbursements: (\$ 277,064.21)

Ending Cash & Investments Balance

\$2,687,258.28
Less: Bonds in Escrow (\$ 18,750.00)
Less: Reserve Funds-Territorial Rd. Resurf Proj-PRIP Funds (\$1,551,572.57)

Ending Available Fund Balance \$ 1,116,935.71

Note: Outstanding Accounts Payable = 24,055.83

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

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Bids For Tractor With Twin Mowers Discussed

The bids received on March 19th for one agricultural tractor with twin roadside mowers and interchangeable boom mower were reviewed and discussed. A summary of the bids follows:

<u>Bidder</u>	<u>Tractor</u>	<u>Base Bid</u>	<u>Less Trade-in</u>	<u>Net Price</u>
Bader & Sons	JD	\$ 99,803.17	- \$ 14,000.00	\$ 85,803.17
Flint New Holland	NH	\$ 121,817.00	- \$ 13,900.00	\$ 107,917.00
Alamo Group	NH**	\$ 116,910.00	- \$ 5,500.00	\$ 111,410.00
Godfrey Bros Inc.	JD	\$ 133,855.00	- \$ 10,000.00	\$ 123,855.00

** Alamo bid includes 4WD tractor.

The engineer-manager and board continued their discussion on the purchase of a tractor mower. The engineer-manager suggested purchasing a new tractor mower or hiring 2 full time heavy truck drivers, but not both. He said we need more employees rather than more equipment. Bob Godfrey commented that we have a surplus of over \$439,000, so why can't we do both? The engineer-manager suggested the board review and discuss Item #4 under new business.

Condition of Primary Road System

The engineer-manager just completed his spring tour of our primary roads. Mr. Clingerman said he is very discouraged over the condition of our roads. He is amazed over the poor condition of some of the pavements and shocked at the big deep potholes that no one has called in to report. We have 370 miles of primary roads. Out of the 370 miles, 240 miles are okay, meaning the pavement is holding up, but over 130 miles of primary roads are in poor condition and need surface treatment or some type of action immediately. The county primary pavements are falling apart! Mike Parney suggested we take a year off and not do anything on our local roads and concentrate on improving our primary roads this year. The engineer-manager said he needs to take a risk and add 8 – 10 miles of additional paver patch and seal coat to the existing budget in order to improve our primary roads. Copy of map attached.

BIDS FOR TRACTOR WITH TWIN MOWERS REJECTED

#15-060 Bob Godfrey moved, Bill Watkins seconded, to reject all bids received and postpone the purchase of a new tractor-mower until next year. Carried. Copy of bid tabulation attached.

2014 ANNUAL FINANCIAL REPORT REVISITED

The engineer-manager asked the board if they are you feeling comfortable enough with our financial position to advertise and hire 2 full time heavy truck drivers to fill the vacancies in Camden garage instead of purchasing the tractor-mower? Estimated cost of wages and fringe benefits for 2 employees for one year = \$130,000.

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	Budget	Actual
Revenues	\$7,314,200	\$7,395,258
Expenses	<u>\$7,423,500</u>	<u>\$6,955,819</u>
Revenues exceed expenses or (deficit)	\$ (109,300)	\$ 439,439

Facts:

- \$548,739 swing to the good eliminating the proposed deficit!
- The smallest local road deficit in many years – good!
- Third year in a row – revenues exceeding expenses.
- Severe winter resulted in record snow removal costs of \$1.4 million – almost double our previous 5 year average of \$755,000.
- Cash budget had smaller revenues exceeding expenses of \$186,372
- Excess of revenues over expenses is coincidentally very close to the special legislative appropriations we booked in 2014 of \$479,987.

Overall fund balance (12/31/13)	\$2,014,565
+ 2014 excess	<u>\$+ 439,439</u>
Overall fund balance (12/31/14)	\$2,454,004
Inventories	<u>\$ - 799,445</u>
Unreserved fund balance	\$1,654,559
Cash and investment balance	\$1,074,008 **

** Without Territorial PRIP funds

#15-061 Bob Godfrey moved, Bill Watkins seconded, to authorize the engineer-manager to advertise for employment and hire 2 full time heavy truck drivers instead of purchasing the tractor-mower. Carried.

TOWNSHIP AGREEMENTS APPROVED

The following township agreement was presented for board approval and signing:

<u>Township</u>	<u>Work Type</u>	<u>Est. Cost</u>	<u>Twp. Share</u>
Ransom	Pleasant View Road pp – 300 ton	\$31,500	\$22,050

#15-062 Bob Godfrey moved, Bill Watkins seconded, that the township agreement be approved and signed. Carried.

DUST CONTROL PERMITS APPROVED

The following dust control permits were presented for board approval:

JLM Tank Truck Service	- #2015-72
McConnell & Scully, Inc.	- #2015-73

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Michigan Chloride Sales, Inc. - #2015-74

Michigan Mineral Resource, LLC - #2015-75

#15-063 Bill Watkins moved, Bob Godfrey seconded, to approve and sign the dust control permits as presented above. Carried.

RESOLUTION ADOPTED APPROVING CONTRACT WITH MDOT FOR HOT MIX ASPHALT ULTRATHIN OVERLAY ON S. HILLSDALE ROAD

#15-064 Bill Watkins moved, Bob Godfrey seconded, to adopt a resolution approving a contract with MDOT for a hot mix asphalt ultrathin overlay on S. Hillsdale Road from Reading Road to Hillsdale city limits at an estimated cost of \$424,900 to be performed in 2016 and to authorize the chairman and the clerk to sign the same. (Funding = Federal \$249,400, State \$128,500 and HCRC \$77,000). Motion carried. Copy of resolution attached.

ACCEPTANCE OF MDOT AUDIT FOR 2013 STATE HIGHWAY MAINTENANCE CONTRACT COSTS

#15-065 Bob Godfrey moved, Bill Watkins seconded, to accept the MDOT auditor's report for the 2013 state highway maintenance contract costs: \$40,867 due county. Carried.

Award Of Bid For Infared Tube Heaters For Repair Garage Postponed

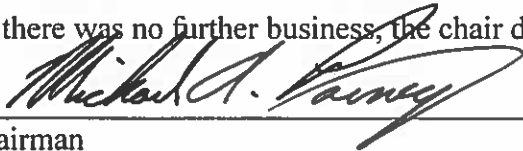
At 11:00 a.m., bids were opened and read aloud for infared tube heaters for the repair garage. Three bids were received with Mechanical Extremes being the "as read" low bidder for a cost of \$9,875.00. The board and the engineer-manager agreed to postpone the award of the bid for staff review and reference checks.

Miscellaneous Update by Engineer-Manager

- The county crews have scraped/graded all gravel roads twice and we have started our spring gravel patch program.
- The contractor, Michigan Paving & Materials, has started work on Moscow Road.
- API Construction is scheduled to start work on Territorial Road on May 11.

Meeting Adjourned – 11:30 a.m.

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


Chairman


Secretary

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