

HILLSDALE COUNTY ROAD COMMISSION

September 14, 2015

MINUTES

Meeting was called to order by Chair Mike Parney on Monday, September 14, 2015, at 2:00 p.m. at the road commission office.

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

Staff present: Stanley Clingerman, Engineer-Manager, John Sanders (2:10 p.m), Traffic Safety Director, & Janet Aemisegger, Clerk & Marilyn Kilpatrick (New hire-Office Manager).

Visitor present: Andy Welden, County Commissioner.  
Andy Barrand, Hillsdale Daily News.

**Agenda Approved**

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

**Minutes Approved**

Having reviewed the minutes of the August 20, 2015, regular 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**

#15-115 Bill Watkins moved, Bob Godfrey seconded, to confirm the payment of the payrolls in the amount of \$86,905.74 & \$79,838.78 respectively per Payroll Check Registers dated 8/26/2015 & 9/08/2015 as authorized by the engineer-manager and the clerk. Motion carried.

**CONFIRMATION OF ACCOUNTS PAYABLE AS AUTHORIZED FOR PAYMENT BY THE STAFF**

#15-116 Bob Godfrey moved, Bill Watkins seconded, to confirm the payment of bills in the amount of \$202,972.84 & \$15,545.45 (1<sup>st</sup> payment on new tandem trucks) per Accounts Payable Check Registers dated 9/02/2015 & 9/08/2015 respectively as authorized by the engineer-manager and the clerk. Motion carried.

**ACCOUNTS PAYABLE APPROVED**

#15-117 Bills in the amount of \$319,061.07 and electronic fund transfers in the amount of \$30,344.49 for a total amount of \$349,405.56 were presented for board approval. Bill Watkins moved, Bob Godfrey seconded, that these bills be allowed and orders approved for the same. Carried.

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**Treasurer's Report Presented**

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

Beginning Balance-Cash & Investments \$1,241,101.44

Receipts:

09/02/2015 R. 43196-R. 43202	\$	955.91
09/10/2015 R. 43205-R. 43208	\$	72,142.12
09/14/2015 R. 43210-R. 43213	\$	825.20
08/14/2015 State Maintenance (July)	\$	21,117.42
07/08/2015 PBS Interest (June)	\$	491.07
07/08/2015 Chemical Bank Interest (June)	\$	14.45
07/08/2015 SMNB Interest (June)	\$	120.32
08/21/2015 NOW Interest (June & July)	\$	0.44
08/21/2015 PBS Interest (July)	\$	333.41
08/21/2015 Chemical Bank Interest (July)	\$	14.93
08/21/2015 SMNB Interest (July)	\$	65.36
05/11/2015 Dupl SMTB Resv CD Interest	\$	(8.42)
09/03/2015 MTF/BMF's		\$348,169.90

Total Receipts \$ 444,242.11

Disbursements:

08/25/2015 Payroll & Mat SS	\$92,794.19	
Less: MERS EFT Deductions	\$(5,055.64)	
Less: Hlth Insur Prem Deductions	\$( 430.74)	
Less: Den/Vis Prem Deductions	\$( 402.07)	\$ 86,905.74
09/02/2015 Accounts Payable		\$ 202,972.84
09/08/2015 Payroll & Mat SS	\$85,337.79	
Less: MERS EFT Deductions	\$(4,841.38)	
Less: Hlth Insur Prem Deductions	\$( 353.60)	
Less: Den/Vis Prem Deductions	\$( 304.03)	\$ 79,838.78
09/08/2015 Special Accounts Payable CB & T-Tandem Trk Pymt #1		\$ 15,545.45
09/14/2015 Accounts Payable		\$ 319,061.07
09/14/2015 MERS EFT Payment		\$ 30,333.48
09/14/2015 Sales Tax EFT Payment		\$ 11.01

Total Disbursements: (\$ 734,668.37)

**Treasurer's Report Continued Next Page**

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**Treasurer's Report Continued --**

Ending Cash & Investments Balance	\$ 950,675.18
Less: Bonds in Escrow	(\$ 18,750.00)
Ending Available Fund Balance	\$ 931,925.18

Note: Outstanding Accounts Payable=\$82,274.09

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

**Office Manager Position Accepted By Marilyn Kilpatrick Effective 9/14/2015**

The engineer-manager advised that Marilyn Kilpatrick, the former Jackson County Road Department Office Manager, has accepted the board's offer to fill the upcoming vacancy due to the upcoming retirement of the current HCRC Office Manager on October 1, 2015. Mrs. Kilpatrick starts work this date and will begin training for her new position.

**AUTHORIZATION FOR 2014 BRINE REIMBURSEMENT FOR SCIPIO TOWNSHIP**

Engineer-Manager Stanley Clingerman reported that Scipio Township has requested him to reconsider his denial of the township's 2014 brine reimbursement in the amount of \$2,700.00 as their request wasn't received until July, 2015—too late! Mr. Clingerman noted that the township supervisor asked their new clerk to submit the receipt to the HCRC when he noticed on the HCRC's township meeting agenda that the receipt had never submitted been submitted as is required to show proof of the township's payment for the brine. The former clerk never submitted this request in 2014 and the new clerk never submitted the receipt until July this year, so the engineer-manager denied reimbursement as it was too late. The engineer-manager stated that the receipt/reimbursement request for all townships should be received in the same fiscal year as the work is performed. The board agreed. However, after some discussion, the board decided to allow the 2014 reimbursement this one time.

- #15-118** Without precedent, Bill Watkins moved, Bob Godfrey seconded, to authorize, one time only, Scipio Township's delinquent request for their 2014 brine reimbursement in the amount of \$2,700.00 and to re-affirm the board's policy that all townships are required to submit their receipt/reimbursement requests in the same fiscal year as the work is performed. Motion carried.

**2015 = RECORD YEAR FOR FEDERAL-AID PROJECTS**

The engineer-manager informed the board that the HCRC's small engineering staff has performed construction engineering and inspection on 8 federal-aid projects this year totaling

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\$3.56 million! 22 miles of paving, one guard rail project and one bridge replacement were performed. All of the work is completed, except that the Litchfield Road bridge should be completed within a month. This is probably the highest amount of federal-aid construction work ever all in one year. It was just a coincidence that all of these projects were executed in one year. The S. Hillsdale Road paving project was unexpectedly advanced to 2015 when it was really originally planned for 2016.

**FINAL INSPECTION/ACCEPTANCE REPORTS APPROVED  
FOR (4) FEDERAL-AID PROJECTS**

#15-119 Bob Godfrey moved, Bill Watkins seconded, to authorize the chairman to sign the final inspection/acceptance reports for four federal-aid projects that were inspected by MDOT on 8/31/2015, namely the Moscow Road asphalt overlay, the Broom Road asphalt overlay, the Montgomery Road guardrail project and the Lake Wilson Road asphalt overlay project. Carried.

**PA152 ANNUAL CERTIFICATION OF MEDICAL BENEFITS AUTHORIZED**

#15-120 As required by September 30<sup>th</sup> of each year per PA152 of 2011, Bill Watkins moved, Bob Godfrey seconded, to authorize the chairman and the clerk to sign the annual certification that medical benefits offered to employees are in compliance with the act. Carried. Copy attached and made a part of these minutes.

**MiDeal Salt Prices Announced**

The 2015 MiDeal prices for salt delivered to the HCRC's garages this winter will be \$63.58 per ton, which is a 13% increase over last winter's price of \$56.22 per ton (estimated \$51,000 increased cost).

**RESOLUTION ADOPTED CONFIRMING 1966 ABANDONMENT OF BEACH DRIVE-  
HY-DA-WA BEACH - IN FAVOR OF NEW RIGHT-OF-WAY**

#15-121 Bob Godfrey moved, Bill Watkins seconded, to adopt a resolution to confirm per previous board minutes that the right-of-way for Beach Drive in the plat of Hy-Da-Wa Beach (1920 plat-east side of Long Lake, north of Kimball Camp - first drive off Long Lake Road, north of the camp) was officially abandoned in 1966 in favor of a new right-of-way location and to attest that said previous right-of-way has been abandoned and is no longer a public road. Carried.

**Update Re: Lack of Permission to Remove Beaver Dam on Private Property  
Causing Flooding on Milnes & Houseknecht Roads-Fayette Township**

The engineer-manager discussed with the board his lack of success in gaining permission to remove or lower a beaver dam on private property owned by Mario Sardo of Livonia that has caused flooding on Milnes and Houseknecht Roads in Fayette Township. On 7/22/2015, Mr.

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Clingerman sent all adjacent property owners a letter advising them of the unusually high level of water in the swamp causing the roads to flood. He asked their permission to traverse their property to walk the stream to check and lower/and or remove any blockages. All of the property owners responded and were agreeable, except for the property owner, Mr. Sardo. The engineer-manager provided for the board's review a Google Earth aerial photo of the area and it appears that there is a blockage of some sort probably on Mr. Sardo's property. Mr. Clingerman said he wrote Mr. Sardo again on 8/12/2015 and still got no response. Thus, on 8/25/2015, he wrote the prosecuting attorney for assistance.

Having not gotten any response from the prosecuting attorney either, before the meeting today, the engineer-manager said he called the prosecuting attorney's office to confirm that he did receive the letter and he ended up speaking to Neil Brady directly. Mr. Brady stated that he did receive the engineer-manager's letter and he apologized for not responding. Mr. Clingerman updated him on the matter and Mr. Brady agreed to send Mr. Sardo a letter requesting permission for the HCRC to enter his property to determine if there's a beaver dam causing the flooding problem, and if so, to remove it. Mr. Clingerman recommended that the drain commissioner or Deputy O'Heran accompany him during the property search to help document their findings. The prosecuting attorney indicated that if Mr. Sardo doesn't respond to his letter, he will proceed to request an administrative search warrant on the property.

**2015 ACT 51 FINANCIAL BUDGET REVISION ADOPTED**

The engineer-manager presented for the board's review and consideration proposed budget revisions to the 2015 Act 51 Financial Budget to more closely reflect anticipated revenues and expenditures. A summary of the revised revenues and expenditures per the budget follows:

	<u>Original</u>	<u>Proposed</u>
Beginning Fund Balance	\$ 2,454,004	\$ 2,454,004
Revenues	\$10,756,000	\$10,878,000
Expenses	<u>\$11,248,000</u>	<u>\$11,652,000</u>
Revenues over (under) expenses	\$ (492,000)	\$ (774,000)
Ending Fund Balance	\$ 1,962,004	\$ 1,680,000

Mr. Clingerman reviewed the budget revisions by line item. He noted that the STP funds increased by about \$200,000 since the S. Hillsdale Road resurfacing project was unexpectedly accelerated to 2015. The last two quarterly payments of PA252 funds and the first two quarterly payments of PA84 funds were recorded in 2015 as stipulated by the Department of Treasury and are shown in the revised budget accordingly. These funds are unrestricted and can be used for general operations. The PRIP special appropriation of \$1,550,000 for the resurfacing of 10 miles of Territorial Road remained the same. Thus, the federal and state revenues budget increased about \$400,000. Our normal state maintenance expenses were about the same this year, but since we didn't have any special contractor performed projects, we won't expend all of our state maintenance budget as of 9/30/2015, the end of the state's fiscal year. In an effort to use the

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balance of the state maintenance revenues budgeted, the engineer-manager requested MDOT to solicit quotes for some much needed drainage work on M-49 in Camden, but no bids were received, possibly because the plans were not clear enough. It's too late to try again this year.

Mr. Clingerman noted that he greatly reduced the township contributions from \$1,040,000 down to \$770,000 as the townships did not sign up for all of the projects that he thought they would. The township sealcoat work was for only about 10 miles, when they usually do about 20 or 30 miles. The engineer-manager was able to reduce the installment proceeds from \$840,000 to \$725,000 as we didn't have to borrow as much for the tandem trucks. We have received and used \$500,000 of the proceeds to pay for the four truck chassis's. Overall, the total revenues only increased slightly by about \$100,000.

Mr. Clingerman increased the expenditures by about \$200,000 for the S. Hillsdale Road project and he increased the federal and state critical bridge expenses some for the Litchfield Road bridge replacement project and the design work on the Montgomery Road bridge and the two Territorial Road bridges. Next year, the primary road and bridge preservation expenses will be about zero as there will be no primary projects. We'll be saving to perform the two Territorial Road bridges in 2017. The local bridge preservation expenses were reduced some as the Sand Lake Road bridge replacement came in under cost, which was a savings to the HCRC and to Allen and Fayette Townships. The Allen Township supervisor was very pleased with how the Sand Lake bridge project came out. The townships didn't sign up for as much culvert work as he anticipated. The crews fog sealed 40 miles of the 55 miles of chip seals this year.

Administrative expenses were increased due to the replacement of the office manager. Capital outlay was reduced slightly as everything has been purchased for now. Four debt principal payments totaling \$59,000 are included in the budget now that we know what the actual payment will be. Thus, total expenses increased by about \$400,000, which increased the deficit by about \$300,000. With our conservative budget, the engineer-manager expects the actual deficit to be about half what he's budgeted. In conclusion, he commented that even though he's projecting a deficit budget for 2015, we have had 3 years of revenues over expenses almost equal to the deficit he's showing so he feels comfortable with the budget revision and recommends its adoption.

#15-122 Bill Watkins moved, Bob Godfrey seconded, to adopt the 2015 Act 51 budget revision as presented. Carried. Copy attached.

### Construction-Maintenance Update

The engineer-manager updated the board on the status of the HCRC's construction and maintenance as follows:

- Litchfield bridge – concrete box beam were set last week.
- S. Hillsdale ultrathin—paving and shoulders completed by August 26.
- Sealcoat—completed 55 miles by August 27.
- Fog seals—will finish 40 miles by tomorrow.

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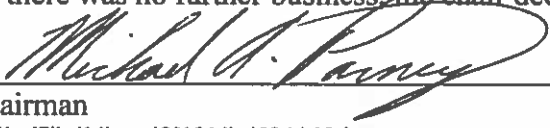
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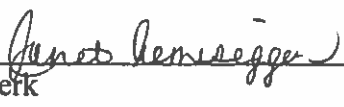
- Gravel road berming: Weston, Ball, Jerome are done. Kelso, Holcomb and East Diane are not. 18 miles total.
- Pipe arches: Burt culvert installed last week. Lickley culvert to be installed later this week.

Mr. Clingerman said the roadside mowers are still mowing. They've had a lot of tractor breakdowns this year. The engineer-manager said he'll see if we can replace one regular tractor mower and one tractor-boom mower when he prepares the 2016 budget.

**Meeting Adjourned – 3:10 p.m.**

As there was no further business, the chair declared the meeting adjourned at 3:10 p.m.

  
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Chairman

  
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Clerk

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