

The regular meeting of the Board of Calhoun County Road Commissioners was held on Wednesday, April 2, 2008 at 5:30 p.m. in their office located at 13300 Fifteen Mile Road, Marshall, Michigan.

Present: Commissioner Scott A. Brown, Chairman  
Commissioner Hugh T. Coward, Vice Chairman  
Commissioner Charles E. Monaweck, Member  
Commissioner Eric J. Tobin, Member  
Commissioner Chester E. Travis, Member  
Kevin Henning, Interim Managing Director  
Pixie Coats, Board Clerk  
Angie Kline, Assistant Engineer  
Steve Ball, Operations Manager  
Mary Jo Crumpton, Secretarial Clerk

Also Present: General Public

Chairman Scott Brown called the regular meeting of the Board of Calhoun County Road Commissioners to order at 5:30 p.m. and led the Pledge of Allegiance.

**Moved by Commissioner Tobin and supported by Commissioner Monaweck to approve the March 19, 2008 regular meeting minutes of the Board of Calhoun County Road Commissioners. Voice vote: motion carried.**

#### **NEW BUSINESS**

**Moved by Commissioner Tobin and supported by Commissioner Monaweck to approve the March 25, 2008 accounts payable for \$286,452.02. Roll call vote: Monaweck–Yes; Tobin–Yes; Travis–Yes; Brown–Yes; Coward–Yes. Motion carried.**

**Moved by Commissioner Travis and supported by Commissioner Coward to approve the March 26, 2008 payroll for \$113,771.01. Roll call vote: Coward–Yes; Tobin–Yes; Monaweck–Yes; Brown–Yes; Travis–Yes. Motion carried.**

**Moved by Commissioner Travis and supported by Commissioner Monaweck to approve the March 27, 2008 payroll for \$2,241.03. Roll call vote: Brown–Yes; Travis–Yes; Coward–Yes; Tobin–Yes; Monaweck–Yes. Motion carried.**

#### **INTERIM MANAGING DIRECTOR REPORT**

Mr. Henning provided the following report:

- The 2007 audit has been completed. Fieldwork was done last week and we are currently wrapping up some notes to the financial statements to prepare a draft for presentation to the Board at the next meeting. Mr. Henning noted that 2007 was a very expensive year for the Road Commission. We used 1.3 million dollars of our fund balance, which is 2.7 million dollars. We have depleted our primary and local road fund balances and had to transfer some of our countywide fund balance to cover the deficit in the local road system. Costs for all operations were more expensive and projects were not reeled in and realigned with the budget. However, Mr. Henning stated that we had some savings in equipment rental credits, as we ran a tight shop with regards to equipment, fuel and mechanics and these costs did not surpass our equipment rental credits. We only invested approximately \$120,000 in capital outlay for the entire year. We had \$324,000 in depreciation. We are not investing in capital at a rate that our equipment is depreciating. We have an equipment rental advance from MDOT and because we are not

investing in capital at the rate that our equipment depreciates, the depreciable value of our equipment is less. This means that we will have to pay back some of the advance to MDOT.

Mr. Henning stated that the 2007 audit was clean. He emphasized that we must be very prudent and fiscally responsible in 2008 and stay within the constraints of our budget. Road commission activities statewide are under public scrutiny and risk. A 40% decrease in funding is expected over the next two years. We are in a tight cash position and long-term commitments will be difficult to make, with the uncertainty in funding. On the positive side, the bonds have been rolling off and, in 2007 we ended our equipment refinance that was done several years ago.

Mr. Henning stated that when he presents a draft of the audit, he would present a year-to-date budget in the same format as the approved budget to show what was approved and the year-to-date actual. He noted that he would continue to review the budget with the Board at least every other month, if not monthly.

- The draft of the Act 51 report has been completed. This is the annual financial final report that is due to the State of Michigan by May 1<sup>st</sup>.
- Potholes have gone crazy. We were making some headway on filling them in March and used over 900 tons of cold patch. The cost for winter maintenance for the snow event on Good Friday cost over \$70,000 and we spent 1600 hours snowplowing on Friday and Saturday.
- Mr. Henning commented that he would like the Board to consider developing a Winter Maintenance Policy for the 2008-2009 winter season.
- Supervisors have been following up with the public on service requests. The snowfall on Good Friday set us back about 50% on pothole patching.
- The Custer Drive Bridge is progressing and traffic is expected to be routed to the new bridge in June.
- We are moving federal aid projects, including the next segment of T Drive South, to 2009 so that we do not have to come up with match dollars this year.
- We will be focusing on maintenance this summer, as well as providing match dollars for township local road projects. So far, most townships are requesting chip and seal. Only one is considering paving.

### **COMMISSIONER COMMENTS**

Commissioner Tobin asked for information on the total number of service requests received to date. Mr. Henning replied that he would get him a report on the total, as well as a breakdown by reason.

Commissioner Monaweck commended the patching crews and stated that the material being used this year is working. He noted that he has received a few calls regarding gravel roads and believes we will have our hands full with gravel roads shortly. He recently traveled ½ Mile Road, south of V Drive South and it is nearly impassable.

Commissioner Brown directed Mr. Henning to look at nearby county road commissions for their winter maintenance policies. He clarified with Mr. Henning that so far, only one township is considering paving this summer. Mr. Henning confirmed this and noted that the township has expressed interest in paying more than 50%, due to our budget constraints. He reminded everyone that State law prohibits CCRC from paying more than 50%, but townships can pay more. Commissioner Brown asked if the financial statements that would be presented at the next meeting would include projected revenue. Mr. Henning

responded that it is difficult to project revenue based on the time lag; however, he has created a Cash Flow Trend Analysis that he will share with the Board. Commissioner Brown clarified fund balance figures with Mr. Henning. Mr. Henning replied that we had revenue over expenditures of \$306,000 in our primary fund, but we had expenditures over revenue of 1.7 million dollars in the local road fund. As townships want more roadwork done on local roads, it comes at a cost. Every year we have done more on local roads than we were afforded money. The Board has always approved a transfer of up to 30% of our primary MTF revenues to local roads, as allowed by Act 51. The transfer depleted our primary road fund (1.4 million dollars) and still did not cover the 1.7 million dollar deficit in the local road fund. The deficit came out of our county road fund. Mr. Henning noted that there is an opportunity cost associated with every service provided and it is his job to educate the townships on funding available for local road programs and other maintenance operations.

### **SUPERVISOR, PUBLIC OFFICIAL AND CITIZEN TIME**

- Mr. Mike Brockway, Albion Township resident, provided a copy of a plat map and photo of 26 Mile Road between J and L Drive South in Albion Township. Mr. Brockway stated that 5 residents live on this gravel road and he owns half of the road frontage. He is opposed to having this road paved and informed everyone that a few years ago, he worked with the Parks Department on a petition to declare 26 Mile Road a Beauty Road. Mr. Brockway provided background and historical information regarding this road and would like to continue progress on having it declared a Beauty Road. He was told that this did not go through originally because of cost sharing requirements by the township and county. Mr. Brockway proposed that he would fund up to \$5,000 to get the legwork done to have 26 Mile Road declared a Beauty Road.
- Mr. Steve Wisniewski, Athens Township resident, stated that in 2006 he contacted CCRC regarding a defective culvert on 3 ½ Mile Road, north of M-66 that adjoins his property. He explained that there has been a history of residents plugging the culvert and CCRC has come out and flushed it. The bottom of the culvert has rotted, the culvert sits too high and he believes it is too small. Over time, the standing water in this area has killed at least three trees. He has contacted CCRC about this, but has not received a response. He believes that this is now a matter of life and death since trees are dying and have fallen into his field. Mr. Ball replied that CCRC has investigated this issue, shot grades and measured and have added this culvert to the drainage list for replacement. Mr. Wisniewski asked if a permit is required to take down these trees. Mr. Henning stated that if the dead trees were in the right-of-way, we would put them on our list to cut; however, it may be several years before we get there. Trees are not a high priority as compared with trying to maintain road surface quality. Mr. Henning added that if Mr. Wisniewski were willing to take the trees down, we would waive the cost of the permit and provide the temporary road closure, if necessary. Mr. Wisniewski offered to push them down with his equipment.
- A citizen stated that B Drive North from the city limits to his house is in bad shape because road crews only filled the large potholes and left the smaller ones. Now the small potholes have become large ones. Mr. Henning responded that during the very first "go-around" on potholes, crews were directed to fill the "tire busters" throughout the county. The citizen commented that school buses and water contribute to the pothole problems.
- Mr. Dick Harvey, Bedford Township Trustee, thanked Mr. Steve Ball for handling a problem. Mr. Harvey asked when CCRC crews would be patching in Bedford Township. Mr. Ball responded that a crew was on Uldriks and in Valhalla yesterday and today and we have a crew working every day in Bedford Township.
- Mr. Steve Irons, Athens Township Supervisor, reported the following issues:

1. A resident has 2-3 yards of gravel in his ditch at 4575 M-66 from the snowplows. Mr. Ball stated that we would take care of this.
2. The trees on V Drive South, where the Nottawaseppi River crosses, have not been cut down and he stated that he was told by former management that they would be taken care of before they take out the bridge, guardrail or a vehicle.
3. There is water over the road on N Drive South, west of 6 Mile Road. While there are signs there, nothing has been done.
4. N Drive South, between 6 and 11 Mile Road is almost impassable.

Mr. Irons asked when the Board would be appointing a new Managing Director. He believes that Mr. Henning is doing a decent job and stated that he learned a lot from the information that was provided tonight. Commissioner Brown stated that we are currently in the search process for this position and it will be finalized 6-4-08. Nothing is on hold at this time since the Board has empowered Mr. Henning to make decisions.

- Mr. Steve Swafford, Homer Township Trustee, voiced a concern with the condition of 30 Mile Road that was sealed last year. Mr. Ball responded that he is investigating this issue. Homer Township would like to be first on the list for chip and seal operations this year. The condition of 24 Mile Road, south of T Drive South is in very bad shape and is almost impassable.
- Mr. Gardy Berezonsky, Marengo Township resident, asked Mr. Henning if he reviewed the Community Compost Center agreement regarding dumping by the City of Marshall. Mr. Henning replied that there is nothing in the contract that excludes the City of Marshall from dumping at any time as long as it is acceptable material. Mr. Henning explained that from a Road Commission perspective as the landowner, CCRC is only concerned that the land is being used for its intent and purpose. With respect to management operations of the Center, it is managed by the City of Marshall and is their management issue. It does not violate any intent and use of the land owned by CCRC.
- Mr. Clarence Millard, Newton Township resident, stated that the water running down 6 ½ Mile Road south of B Drive South is undermining the pavement – a shoulder is needed. Discussion continued.

### **ANNOUNCEMENTS**

The next regular meeting of the Board of Calhoun County Road Commissioners is scheduled for Wednesday, April 16, 2008 at 5:30 p.m.

There being no additional business before the Board, Chairman Brown adjourned the meeting at 6:26 p.m.

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Scott A. Brown, Chairman

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Mary Jo Crumpton, Secretarial Clerk