

Alcona County Road Commission December 21, 2021, Board Meeting Minutes

A regular meeting of the Board of County Road Commissioners of Alcona County was called to order by Chairman Ted Somers at 1:59pm on Tuesday, December 21, 2021 at 301 N. Lake Street Lincoln, Michigan. Present: Chairman Ted Somers, Vice Chairman Harry Harvey, Member Al Scully, Managing Director Jesse Campbell, Superintendent Mike Escareno, and Board Clerk Lori Grush. No guests were present.

AGENDA ADOPTION

Moved by Commissioner Scully, Harvey to accept the December 21, 2021 meeting agenda with date correction for next meeting. Motion carries

Moved by Commissioner Harvey, Scully recess the regular commissioners meeting to hold the 2022 Budget Public Hearing Motion carries

Moved by Commissioner Harvey, Scully to resume the regular commissioners meeting. Motion carries

PUBLIC COMMENT

None

SUPERINTENDENTS REPORT

Superintendent Escareno shared that the crews have spent a lot of time on trees after the windstorm. A lot of wires down, roads blocked. They did a super job. They handled the snow for a day or two then back to trees. We'll be working on trees for a while. First day the focus was opening up the roads. Crews will then go back out with the chipper for more clean up.

APPROVAL OF MINUTES

Moved by Commissioner Scully, Harvey to approve the minutes of the December 8, 2021 meeting as presented Motion carries

FINANCIAL REPORTS & OPEN ACCOUNTS

Moved by Commissioner Scully, Harvey to approve payment of open accounts from December 21, 2021, in the amount of \$357,525.41

Roll call vote: Scully – yes, Harvey – yes, Somers – yes Motion carries

CORRESPONDENCE

None

BUSINESS

2021 Budget Amendments

Alcona County Road Commission
Budget vs Actual
12 Months Ended 12/31/21

Revenue	2021 Budget	100 % of 2021 Budget	Amended Budget	2021 Budget Amend	Percentage of Budget Used
County Wide Millage	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Licenses and Permits	\$15,290.50	\$15,290.50	\$19,040.00	\$3,749.50	124.52%
FEDERAL SOURCES					
Local Bridge Funds		\$0.00	\$0.00	\$0.00	0.00%
STP	\$403,038.00	\$403,038.00	\$311,667.03	-\$91,370.97	77.33%
Federal Urban Funds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
DNR Waterway Grant	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Fed Huron Pines/Safety Funds	\$69,300.00	\$69,300.00	\$40,089.60	-\$29,210.40	0.00%
STATE SOURCES					
Engineering	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	100.00%
Snow Removal Funds	\$32,072.59	\$32,072.59	\$35,746.28	\$3,673.69	111.45%
MTF Primary	\$2,650,841.85	\$2,650,841.85	\$2,697,449.02	\$46,607.17	101.76%
MTF Local	\$1,768,774.88	\$1,768,774.88	\$1,790,935.17	\$22,160.29	101.25%
Add'l State/Winter Funds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Other State Funds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
EDF FUNDS- State "D" Funds	\$64,654.00	\$64,654.00	\$50,271.90	-\$14,382.10	77.76%
Forest Funds	\$100,000.00	\$100,000.00	\$100,000.00	\$0.00	100.00%
State Local Bridge Funds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
CONTRIBUTIONS FROM LOCAL UNITS					
Township Contributions	\$1,063,102.47	\$1,063,102.47	\$1,032,188.04	-\$30,914.43	97.09%
City Contributions	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Other Contributions	\$0.00	\$0.00	\$6,919.00	\$6,919.00	100.00%
CHARGES FOR SERVICES					
State Trunkline Maintenance	\$466,570.28	\$466,570.28	\$630,521.83	\$163,951.55	135.14%
State Non-Maintenance	\$107,842.49	\$107,842.49	\$289,791.44	\$181,948.95	268.72%
Salvage Sales/Misc Revenue	\$445.00	\$445.00	\$5,124.49	\$4,679.49	1151.57%
Interest Earned/Dividends	\$16,656.29	\$16,656.29	\$18,802.44	\$2,146.15	112.88%
Insurance Proceeds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Inst Purchases/Leases	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Gain (Loss) Equip Sale	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
TOTAL REVENUE	\$6,768,588.35	\$6,768,588.35	\$7,038,546.24	\$269,957.89	103.99%

Alcona County Road Commission
Budget vs Actual
12 Months Ended 12/31/21

	2021 Budget	100% of 2021 Budget	Amended Budget	2021 Budget Amend	Percentage of Budget Used
Expenditures					
PRIMARY ROAD					
Structural Improvements	\$2,722,892.47	\$2,722,892.47	\$2,630,595.60	\$92,296.87	96.61%
Routine Maintenance	\$395,114.06	\$395,114.06	\$508,595.71	-\$113,481.65	128.72%
Wedging and Chipping	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Winter Maintenance	\$308,179.16	\$308,179.16	\$275,099.51	\$33,079.65	89.27%
Traffic Control	\$25,949.79	\$25,949.79	\$40,618.93	-\$14,669.14	156.53%
LOCAL ROAD					
Structural Improvements	\$588,660.00	\$588,660.00	\$1,081,761.72	-\$493,101.72	183.77%
Routine Maintenance	\$1,153,915.58	\$1,153,915.58	\$861,765.71	\$292,149.87	74.68%
Bridge Maintenance	\$0.00	\$0.00	\$0.00	\$0.00	100.00%
Wedging and Chipping	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Winter Maintenance	\$321,100.33	\$321,100.33	\$234,308.54	\$86,791.79	72.97%
Traffic Control	\$20,650.42	\$20,650.42	\$19,253.49	\$1,396.93	93.24%
State Trunkline Maintenance	\$466,570.28	\$466,570.28	\$681,807.31	-\$215,237.03	146.13%
State Non-Maintenance	\$107,842.49	\$107,842.49	\$289,791.44	-\$181,948.95	268.72%
EQUIPMENT EXP - NET					
Direct	\$1,093,066.16	\$1,093,066.16	\$1,009,574.27	\$83,491.89	92.36%
Indirect	\$356,563.69	\$356,563.69	\$353,706.66	\$2,857.03	99.20%
Operating	\$246,280.87	\$246,280.87	\$217,651.05	\$28,629.82	88.38%
Less Equipment Rental CR.	-\$1,295,983.80	-\$1,295,983.80	-\$1,217,459.65	-\$78,524.15	93.94%
Administrative Expense Net	\$351,986.19	\$351,986.19	\$375,481.16	-\$23,494.97	106.67%
Interest Expense	\$29,873.08	\$29,873.08	\$30,114.41	-\$241.33	100.81%
Long Term Debt Payments	\$33,294.92	\$33,294.92	\$33,579.99	-\$285.07	100.86%
Capital Outlay	\$837,436.00	\$837,436.00	\$1,025,379.30	-\$187,943.30	122.44%
Less Depreciation	-\$841,939.63	-\$841,939.63	-\$669,745.08	-\$172,194.55	79.55%
Other	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
TOTAL EXPENDITURES	\$6,921,452.06	\$6,921,452.06	\$7,781,880.07	-\$860,428.01	112.43%
Excess Revenue	-\$152,863.71	-\$152,863.71	-\$743,333.83	-\$590,470.12	
Beginning Fund Balance	\$6,629,865.63	\$6,629,865.63	\$6,629,865.63	\$0.00	
Ending Fund Balance	\$6,477,001.92	\$6,477,001.92	\$5,886,531.80	-\$590,470.12	

Moved by Commissioner Harvey, Scully to approve the Alcona County Road Commission budget amendments for 2021 as presented:
Roll call vote: Scully – yes, Harvey – yes, Somers – yes Motion carries

2022 Budget Resolution:

***Board of Alcona County Road Commissioners
2022-01 Budget Resolution***

WHEREAS, this resolution shall be both the general appropriations resolution and the budget adoption resolution of the Alcona County Road Commission for the year ended December 31, 2022. This resolution adopts proposed revenues and expenditures as presented in the accompanying budget document. Total revenues are adopted as \$8,972,968.64, expenditures as \$8,872,046.11 with a proposed fund balance at December 31, 2022 of \$6,577,924.44 and;

WHEREAS, no Alcona County Road Commission member or employee of the commission shall expend any funds or obligate any expenditures except pursuant to appropriations authorized by the budget document. Changes in amounts appropriated by the Commission shall require approval of the Commission, and;

WHEREAS, Renee K. LaVergne, Account Clerk, is hereby charged with the general supervision of the execution of the budget adopted by the Commission, now, therefore:

BE IT RESOLVED that the Account Clerk be allowed to adjust the budget after December 31, 2022 to modify the various revenue and expenditure accounts which cannot be accurately projected prior to year-end, and;

BE IT FURTHER RESOLVED that this resolution is to take effect immediately.

Moved by Commissioner Harvey, Scully to adopt the Alcona County Road Commission Resolution 2022-01 Resolution as presented:
Roll call vote: Scully – yes, Harvey – yes, Somers – yes Motion carries
Resolution is hereby adopted.

Alcona County Road Commission
Proposed Preliminary Budget Summary
For Year Ending December 31, 2022
(For Informational Purposes Only)

REVENUE	2019 Actual Revenue	2020 Actual Revenue	2022 Proposed Budget	
County Wide Millage	\$0.00	\$0.00	\$0.00	
Licenses/Permits	\$13,686.00	\$17,630.00	\$15,658.00	
Federal Category STP	\$0.00	\$971,852.67	\$477,000.00	(A)
Federal Urban Funds	\$0.00	\$0.00	\$0.00	(A)
Federal Huron Pines/Safety	\$81,336.51	\$29,210.40	\$0.00	(B)
Engineering	\$10,000.00	\$6,930.00	\$10,000.00	
Snow Removal Funds	\$32,072.59	\$34,017.29	\$34,017.29	
Primary MTF	\$2,352,039.96	\$2,348,262.72	\$2,655,167.51	
Primary Urban MTF	\$81,105.84	\$81,577.82	\$92,239.58	
Local MTF	\$1,596,764.45	\$1,606,525.72	\$1,816,489.64	
Local Urban MTF	\$26,752.68	\$26,908.36	\$30,425.13	
Additional State MTF	\$0.00	\$0.00	\$0.00	
Federal Bridge Funds	\$206,761.62	\$0.00	\$0.00	
EDF FUNDS				
Rural Primary - Category D	\$17,792.31	\$176,727.31	\$54,896.00	(C)
Forest Category "E"	\$38,310.25	\$50,000.00	\$100,000.00	
State Local Bridge Funds	\$38,767.81	\$0.00	\$1,312,461.00	(E)
Other State Funds	\$0.00	\$0.00	\$0.00	
Township Contributions	\$1,099,472.52	\$566,257.19	\$1,766,683.00	(D)
Other Contributions	\$1,317.15	\$977.00	\$1,147.08	
CHARGE FOR SERVICES				
State Trunkline Maint.	\$513,287.21	\$581,376.27	\$547,331.74	
State Non-Maint.	\$31,770.33	\$47,486.42	\$39,628.38	
Salvage Sales	\$720.00	\$1,931.30	\$1,325.65	
Insurance proceeds	\$0.00	\$0.00	\$0.00	
Interest	\$18,542.03	\$17,991.30	\$18,266.67	
Sundry Refunds	\$0.00	\$0.00	\$0.00	
Other	\$123.93	\$340.00	\$231.97	
Sale of Gravel	\$0.00	\$0.00	\$0.00	
Gain (Loss) on Land & Equip	\$276,079.72	\$14,972.93	\$0.00	
Lease Purchase Proceeds	\$291,089.07	\$0.00	\$0.00	
TOTAL REVENUE	\$6,727,791.98	\$6,580,974.70	\$8,972,968.64	

Alcona County Road Commission
Proposed Preliminary Budget Summary
For Year Ending December 31, 2022
(For Informational Purposes Only)

EXPENDITURES	2019 Actual Expenditures	2020 Actual Expenditures	2022 Proposed Budget	
Primary Road				
Heavy Maintenance	\$806,493.62	\$2,473,118.97	\$4,047,051.00	(K)
Heavy Maintenance - Structures	\$319,569.95	\$44,774.99	\$0.00	
Heavy Maintenance - Safety	\$37,384.10	\$0.00	\$0.00	(K)
Routine Maintenance	\$324,931.06	\$399,234.09	\$436,186.70	
Wedging and Chipping	\$0.00	\$0.00	\$0.00	(F)
Winter Maintenance	\$348,027.83	\$286,299.20	\$333,021.69	
Traffic Control	\$30,389.37	\$28,745.17	\$31,045.63	
Local Road				
Heavy Maintenance	\$1,266,352.65	\$344,954.86	\$1,433,022.00	(G)
Heavy Maintenance - Structures	\$100,376.70	\$271.68	\$0.00	
Heavy Maintenance - Safety	\$0.00	\$0.00	\$0.00	
Routine Maintenance	\$855,872.56	\$978,389.25	\$962,987.45	
Wedging and Chipping	\$0.00	\$0.00	\$0.00	(H)
Winter Maintenance	\$348,624.97	\$247,893.64	\$313,172.27	
Traffic Control	\$25,803.25	\$16,922.24	\$22,430.88	
State Trunkline Maintenance	\$489,606.22	\$553,294.30	\$547,331.74	
State Non-Maintenance	\$31,770.32	\$47,486.39	\$39,628.36	
Equipment Expense - Net				
Direct	\$1,145,132.67	\$1,114,712.68	\$1,186,418.81	
Indirect	\$324,115.67	\$330,244.12	\$343,538.89	
Operating	\$235,240.41	\$157,423.67	\$206,148.64	
Less Equipment Rental Credits	(\$1,310,914.89)	(\$1,389,430.12)	(\$1,417,681.13)	
Other	\$0.00	\$0.00	\$0.00	
Administrative Expense - Net	\$312,234.27	\$329,472.55	\$336,896.08	
Interest Expense	\$32,163.63	\$31,791.75	\$27,837.13	
Long Term Debt Princ Payments	\$383,636.37	\$31,376.25	\$35,330.87	
Capital Outlay	\$713,896.90	\$1,046,373.54	\$906,000.00	(I)
Less Depreciation/Retirements	(\$946,612.00)	(\$890,029.79)	(\$918,320.90)	
TOTAL EXPENDITURES	\$5,874,095.63	\$6,183,319.43	\$8,872,046.11	
Excess Revenue (Expenditures)	\$853,696.35	\$397,655.27	\$100,922.53	
Beginning Fund Balance	\$5,378,514.01	\$6,232,210.36	\$6,477,001.91	
Ending Fund Balance	\$6,232,210.36	\$6,629,865.63	\$6,577,924.44	

Bid Acceptance for Pole Building Insulation and Heating

Manager Campbell opened and read the one bid received. Discussion followed.

Moved by Commissioner Somers, Scully to accept the one bid received for the Pole Building Insulation and Heating project from Meridian Contracting Services in the not to exceed amount of \$149,000 and discuss further at the next board meeting on January 12, 2022. Motion carries

Bid Acceptance for Pole Building Shed Roof Addition

Manager Campbell opened and read the one bid received. Discussion followed.

Moved by Commissioner Harvey, Scully to accept the one bid received for the Pole Building Shed Roof Addition project from Meridian Contracting Services in the not to exceed amount of \$95,000 and discuss further at the next board meeting on January 12, 2022. Motion carries

Pine River Bridge Contract

Moved by Commissioner Harvey, Somers to accept Contract #21-5443 authorize Ted Somers and Harry Harvey to sign the Structure #15 F-41 over the Pine River Bridge Contract.

Roll call vote: Scully – yes, Harvey – yes, Somers – yes Motion carries

***RESOLUTION 2022-02
F41 OVER THE PINE RIVER BRIDGE CONTRACT***

WHEREAS, The Alcona County Road Commissioners approve the Michigan Department of Transportation F41 Over the Pine River Bridge Contract for the rehabilitation work for structure #15, which carries F-41 over the Pine River, Section 24, T25N, R08E, Mikado Township, Alcona County, Michigan; and

WHEREAS, the rehabilitation work includes deck replacement, cleaning and coating of the structural steel, substructure concrete patching, riprap, approach work and replacement of approach guardrail anchorage; and all together with necessary related work; and

WHEREAS, the Alcona County Road Commissioners authorize Commissioner Ted Somers and Harry Harvey to sign the F41 over Pine River Bridge Contract; and

THEREFORE, BE IT RESOLVED, that the Alcona County Board of Road Commissioners approve Michigan Department of Transportation Contract Number 21-5443, job number 209843CON, Structure #15.

Moved by Commissioner Scully, Harvey to adopt Alcona County Road Commission Resolution 2022-02 for the reconstruction of the F-41 over the Pine River Bridge Contract.

Roll call vote: Scully – yes, Harvey – yes, Somers – yes Motion carries

Employee Assistance Program 2022 Contract Renewal

Moved by Commissioner Harvey, Scully to approve the manager to contract with Catholic Human Services for the Employee Assistance Program Renewal for 2022.

Roll call vote: Scully – yes, Harvey – yes, Somers – yes Motion carries

MANAGING DIRECTOR'S REPORT

Manager Campbell shared that the F41 bid letting is scheduled for January 7, 2022. The F41 Road Project in 2022, from the Village to LLWC, is just waiting on MDOT for approval. He's waiting to hear back from MDOT on the Cedar Lake Road Project scheduled for 2023. MDOT is not accepting the submitted form with current project number as some of the work has already been done and they show that project as complete. Campbell brought up that at the next meeting, he'd like to discuss with the board about planning a workshop to review the board policies: employees, permits, FOAI, Harassment, Job termination, etc. The FLAP (Federal Lands Access Program) Grant that he submitted, did not make it. It would have been for Aspen Alley. The other project was to reconstruct North Brodie Road which is one of our three Primary gravel roads in the county. Campbell would like to have quotes for a new chipper to discuss at our next meeting. An employee has submitted his letter of retirement as of February 18, 2022. Campbell shared that we have a new employee starting January 3rd, has meeting scheduled with him tomorrow to go thru paperwork and give him a tour.

PUBLIC COMMENT

None

COMMISSIONER COMMENTS

None

ADJOURN

Meeting adjourned at the call of the Chairman at 3:00pm until the next regular meeting which will be held on Wednesday, January 12, 2022 at 3:00pm

Theodore Somers, Chairman

Lori Grush, Administrative Assistant