

**OFFICIAL PROCEEDINGS  
OF THE  
ALPENA COUNTY ROAD COMMISSION**

December 13, 2016

The Board of County Road Commissioners of the County of Alpena met in regular session on the above date. The meeting was called to order by the Chairman, Darrel A. Spragg, at 3:00 p.m.

**ROLL CALL**

Present: Commissioners Darrel Spragg, Fred Sterns, and Tom Heise  
Absent: None

Staff present: Larry Orcutt, Managing Director; Julia Patterson, Board Secretary/Finance Director; Curt Gonyea, Superintendent; Jim Mazrum, Road Commission Attorney;

Others present: Ken Lobert, Ossineke Township Supervisor.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

**AGENDA**

Moved by Sterns, seconded by Heise, to adopt the agenda as presented. Motion carried unanimously.

**MINUTES**

Moved by Sterns, seconded by Heise, to approve the minutes of the special workshop session and the regular meeting of November 22, 2016. Motion carried unanimously.

**COMMUNICATIONS**

- A. Douglas Robidoux, Board of Trustees Chair, County Road Association Self-Insurance Fund (CRASIF), a letter dated November 23, 2016, with an update regarding their conclusion to not move forward to a mutual insurance company at this time.
- B. Denise Donahue, Director of County Road Association (CRA), memorandum dated November 21, 2016, informing the road Commission of the change of their fiscal year.

Moved by Sterns, seconded by Heise, that the above communications become a part of the minutes. Motion carried unanimously.

**CITIZENS APPEARING BEFORE THE BOARD**

There were no citizen comments.

**MANAGING DIRECTOR REPORT**

Managing Director Larry Orcutt presented a brief update on the following:

- Will meet with R.S. Scott & Associates to review bridge inspection results which entail looking at the bridge list, and then looking at future plans to maintain our bridges.
- RFP's for the design engineering of Werth Road Bridge for the 2019 will be included in 2017 Budget.
- Interviewing job applicants for truck driver position.
- Held a Grade Inspection for Long Rapids Road project this morning. Final package will be ready to submit to MDOT for a March bid letting.
- Rural Task Force federal allocations for 2017 had a carryover of funding from 2016 resulting that each road commission gets an increase in funding. Alpena County Road Commission will receive an additional \$56,000.
- Will meet with the South side Alpena Group on Wednesday, December 14, 2016 to review the bike path plan that they are proposing to apply for grant money.

#### **COUNTY ROAD REPORT**

The Superintendent presented the County Road Report for the period November 14, 2016, through December 4, 2016.

#### **NOVEMBER FINANCIAL REPORT**

The Finance Director presented the Cash/Cash Equivalents Financial Report for the month ended November 30, 2016.

#### **BUDGET STATUS REPORT**

The Finance Director presented the Budget Status Report through November 30, 2016, and a projected Budget Status Report through December 31, 2016.

Moved by Sterns, seconded by Heise, that all reports become a part of the minutes. Motion carried unanimously.

#### **COMMISSIONERS' COMMENTS**

There were no Commissioners' comments.

#### **NOVEMBER BILLS**

Moved by Sterns, seconded by Heise, to approve the November bills in the amount of \$238,370.28. Motion carried unanimously.

#### **PURCHASES**

Moved by Sterns, seconded by Heise, to approve the following purchases:

Item	PO/Inv	Date	Description	Amount
1	9057409154	11/14/16	Airgas USA, AED plus wall surface mounting	\$1,726.40
2	S51618	11/18/16	Alpena Diesel Service, Inc., Eighteen (18) various filters for inventory stock.	\$501.58

3	s51712	12/2/16	Alpena Diesel Service, Inc., new fuel injector for Truck #090.	\$1,022.05
4	14054	12/1/16	Alpena Oil Co., 11,999 gallons winter-blend diesel fuel @ \$1.6662/gallon.	\$19,992.73
5	8148	11/22/16	Cadillac Culvert, Inc., 54" X 50' Culvert-12 gage/brackets	\$2,480.00
6	7028	11/9/16	McVeigh's Truck Springs, Inc., parts and labor to rebuild front axle on Truck #085.	\$1,501.87
7	PD7010920	12/2/16	Michigan CAT, parts to rebuild blade on Grader #114.	\$2,034.48
8		12/1/16	Municipal Employees' Retirement System (MERS), employer voluntary contribution.	\$200,000.00
9	1220168	12/5/16	Neal's Truck Parts, new transmission and clutch assembly for Truck #84.	\$4,749.76
10	34750	12/7/16	Tredroc Tire, five (5) 12R22.5 Ultra Drive tires @ \$271.72/tire for stock.	\$1,358.60
11	D17379	11/28/16	Truck & Trailer Specialties, Four (4) Compression springs for stock @ \$146.50 each and six (6) wing shoes for plows #259, #244, #282 and two (2) for stock @ \$159.75 each.	\$1,864.00
12	D17665	12/9/16	Truck & Trailer Specialties, new floor chain for #307.	\$2,557.04
<b>TOTAL PURCHASES</b>				<b>\$239,788.51</b>

Motion carried unanimously.

**CONTRACT PAYMENTS**

Moved by Sterns, seconded by Heise, to approve the following contract payments:

<u>Item</u>	<u>PO/Inv.</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
<b>10C. CONTRACT PAYMENTS</b>				
1	1757	12/8/2016	Huron Engineering and Surveying, Inc., engineering services for Long Rapids road Design.	\$647.50
2	591-8123449	11/21/16	Michigan Dept. of Transportation, local progress billing No. 2 for Werth Rd., US-23 to Lowell, concrete pavement reconstruction.	\$44,746.97
<b>TOTAL CONTRACT PAYMENTS</b>				<b>\$45,394.47</b>

Motion carried unanimously.

**WERTH ROAD REQUEST FOR ALL SEASON ACCESS**

Item will be taken off the agenda and put back on when updates on the issue are available.

**APPROVE AUDITORS FOR 2016, 2017, AND 2018**

Proposal Not Later Than:												
Thursday, November 17, 2016												
	Susan Sanford, CPA Traverse City, MI			Smith & Klaczekiewicz, PC Saginaw, MI			Stewart, Beauvais, & Whipple Port Huron, MI			Straley, Lamp & Kraenzlein P.C. Alpena, MI 49707		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
Audit	\$7,500.00	\$7,400.00	\$7,400.00	\$7,500.00	\$7,500.00	\$7,500.00	\$9,350.00	\$9,600.00	\$9,850.00	\$11,000.00	\$11,250.00	\$11,500.00
Hourly rate for additional work	\$85.00	\$85.00	\$85.00	\$90.00	\$90.00	\$90.00	\$75-\$185	\$75-\$185	\$75-\$185	\$99.00	\$99.00	\$99.00
Single Audit Fee	\$500.00	\$500.00	\$500.00	\$1500 to \$2500 <i>plus</i>			\$3,500.00	\$3,500.00	\$3,500.00	\$1,950.00	\$2,000.00	\$2,050.00
On-site presentation to Board	Included			\$500.00			Included			Included		
Auditor for these Road Commissions	Montcalm, Kalamazoo, Keweenaw			Genesee, Midland, Gladwin, Ionia, Arenac			St. Clair, Lapeer, Bay, Monroe, Cheboygan			City of Alpena and County of Alpena		
Starting Date:	March 20th			First week in March			Mid-March			February or March		

Moved by Sterns, seconded by Heise, to approve Susan Sanford, CPA from Traverse City to audit the financial records of the Alpena County Road Commission for the years ending December 31, 2016, 2017, and 2018 with a quote of \$7,500 for 2016, \$7,400 for 2017, and \$7,400 for 2018. Motion carried unanimously.

**RESOLUTION**

**MICHIGAN DEPARTMENT OF TRANSPORTATION  
BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF ALPENA  
STATE TRUNKLINE MAINTENANCE CONTRACT**

Moved by Commissioner Sterns, seconded by Commissioner Heise, that Darrel A. Spragg, Chairman, is hereby authorized to sign the contract between the Michigan Department of Transportation and the Board of County Road Commissioners of the County of Alpena, Michigan, for the term October 1, 2016 through September 30, 2021.

Carried by vote as follows:

Ayes: Commissioners Sterns, Heise, and Spragg.  
Nays: None.

**2017 BUDGET HEARING**

Moved by Sterns, seconded by Heise, to hold a public hearing on Thursday, December 29, 2016, at 12:00 p.m., at the offices of the Alpena County Road Commission, regarding the proposed 2017 budget. Motion carried unanimously.

**DESIGNATION OF CHIEF  
ADMINISTRATIVE OFFICER AND FISCAL OFFICER**

Moved by Sterns, seconded by Heise, to designate Larry Orcutt, Managing Director, as Chief Administrative Officer and Julie Patterson, Finance Director, as Fiscal Officer for 2017. Motion carried unanimously.

**DISTRIBUTIVE ITEM BUDGET ALLOWANCE TRANSFER  
AND AUTHORIZATION FOR BUDGET LINE ITEM TRANSFER**

Moved by Sterns, seconded by Heise, that authorization be approved for the expenditure amounts in the General Appropriations Act for Distributive Expense to be allocated to the various other expenditure line items in the same proportion as the allocation of actual Distributive Expense at year end and that the Chief Administrative Officer be authorized to transfer up to 25% of a Budget line item amount approved in the General Appropriations Act to another line item without prior approval, but subject to approval of the Board of County Road Commissioners after the transfer. Motion carried unanimously.

**ORGANIZATIONAL MEETING**

Moved by Sterns, seconded by Heise, to set the organizational meeting of the Board of County Road Commissioners for Alpena County for 3:00 p.m., Tuesday, January 3, 2017, at the offices of the Alpena County Road Commission. Motion carried unanimously.

**NEXT MEETING DATE**

Moved by Sterns, seconded by Heise, to cancel the regular meeting of the Board scheduled for 3:00 p.m., Tuesday, December 20, 2016. Motion carried unanimously.

The next meeting of the Board of County Road Commissioners for Alpena County will be at 12:00 p.m., Thursday, December 29, 2016, for a public hearing on the proposed 2017 budget, approving purchases and contract payments, amending the 2016 budget and adopting the 2017 budget.

**ADJOURNMENT**

There being no further business to come before the Board, the Chairman declared the meeting adjourned at 3:46 p.m.

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Darrel A. Spragg  
Chairman

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Julia G. Patterson,  
Board Secretary