

January 8, 2015

THAT the meeting was called to order by Commissioner Peckens at 9:30 a.m. in the Board Room of the Livingston County Road Commission, 3535 Grand Oaks Drive, Howell, Michigan. Notice of the meeting was posted in accordance with Act #267 of 1976.

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

Commissioners Present: Stephen F. Crane
John T. Dunleavy
David R. Peckens

Staff Present: Michael Craine, Managing Director
Terry Palmer, Accounting Supervisor
Jodie Tedesco, County Highway Engineer
Steve Wasylyk, Deputy Managing Director of Operations

Others Present: Cam Gonzales, Tyrone Township Trustee
Danica Katnik, WHMI

D. APPROVAL OF AGENDA

ACTION: It was moved by Commissioner Crane, seconded by Commissioner Dunleavy, to approve the agenda as presented.

Ayes: Commissioners Crane, Dunleavy, Peckens.

Nays: None.

Motion Carried.

E. CALL TO THE PUBLIC (1)

No response

F. ACTION ITEMS

1. Legislative Analysis, Motor Fuel Taxes
 - House and Senate Fiscal Agencies

Mr. Craine reviewed with the Board the history of the bills passed by the legislature and known as joint resolution UU. There were a number of complex issues to be resolved before the end of the legislative session. The legislature incorporated a number of existing bills which would have the net effect to:

- Eliminate the sales and use tax on gasoline and diesel fuel effective October 1, 2015.
- Increase the maximum sales and use tax by 1% from 6% to 7%.
- Dedicate a portion of the first \$0.05 of the sales tax to the school aid fund and to township, city, and village revenue sharing.
- Provide that the school aid fund would be exclusively for K12 education, community colleges, and other public career and technical programs.

Additionally, this resolution is linked (“tie-barred”) to a number of other bills which increase fuel tax, motor carrier tax, and provide Earned Income Tax Credits on the state income tax. Other relevant bills included in the package would affect the competitive bidding and performance basis of projects, establish requirements for road construction warranties, and increase registration fees on trucks while eliminating depreciation of the registration fee for passenger cars and other light vehicles.

The net effect of this package would increase transportation funds by \$1.2 billion, add \$300 million to the school aid fund, increase comprehensive transportation by \$130 million, and provide an additional \$95 million for constitutional revenue sharing payments to cities, villages, and townships.

There was detailed conversation of the net effect for county roads generally and for Livingston County specifically. Estimates provided by others suggest that the Road Commission could see an increase of approximately \$9 million over time in its annual MTF allocation. This figure is subject to further scrutiny in light of the fact that the initial use of the increases would be used to pay down debt incurred by MDOT for the Build Michigan Program. During the discussion by Board members, it became clear that there would need to be a major effort community education and improve public understanding of how the Road Commission would use any additional funds. Mr. Craine stated that the most obvious need was on the county's paved road network. He recommended that the staff develop a framework plan of roads that would need to be improved under this package. He stated that this would be an intensive staff effort coming at a time when improvement programs for the current year were being developed and readied for bid. There was also discussion on the importance of developing a community network of cities, townships, villages, and schools to provide uniform discussion of this proposed May 5th ballot.

There will be further discussions of this matter over the next several Board meetings as these communications initiatives are developed.

G. INFORMATION ITEMS

The following items were presented to the Board as information only:

1. Clip Sheets (December 25-31, 2014)
2. Clip Sheets (January 1-7, 2015)

H. CALL TO THE PUBLIC (2)

No response

I. LEGAL

No report

J. ADMINISTRATIVE BUSINESS

1. Minutes
 - a. Regular Board Meeting
December 30, 2014

The proposed minutes of the meeting of December 30, 2014, were presented to the Board for its review and approval.

ACTION: It was moved by Commissioner Dunleavy, seconded by Commissioner Crane, to approve the meeting minutes of December 30, 2014.

Ayes: Commissioners Crane, Dunleavy, Peckens.

Nays: None.

Motion Carried.

2. Bills

ACTION: It was moved by Commissioner Crane, seconded by Commissioner Dunleavy, to approve vouchers 77998 through 78047 in the net amount of \$192,963.10.

Ayes: Commissioners Crane, Dunleavy, Peckens.

Nays: None.

Motion Carried.

3. **Meetings Announced**
 - a. **Next Regular Board Meeting**
January 22, 2015 - 9:30 a.m.
 - b. **Seven County Council Meeting**
Tuesday, January 20, 2015 – 9:00 A.M.
4. **Financial Reports Reviewed**
 - a. **Cash Position Statement**
 - b. **MTF Comparison Report**
5. **Miscellaneous Road Items**

Mr. Craine indicated that he felt it was time for a review of his performance in the role of Managing Director. He stated to the Board that in order to encourage complete candor, he was requesting that this occur in a closed session as provided by law. After consulting calendars, it was determined that the Board will meet Thursday, January 29 for these purposes.

K. ADJOURNMENT

There being no further business to come before the Board, Chairman Peckens declared the meeting adjourned at 10:25 a.m. Motion carried.

Signed _____
David R. Peckens, Chairman

Signed _____
Michael Craine, Managing Director