

October 28, 2010

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. ROLL CALL**

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

**Staff Present:** Michael Craine, Managing Director  
Donald Kuchnicki, Finance & Policy Director  
Jodie Tedesco, County Highway Engineer  
Steve Wasyk, Director of Operations

**Others Present:** Mike Archinal, Genoa Township Manager  
Gary Bachman, Cleary University  
Chris Behnan, Daily Press & Argus  
Douglas Brown, Brighton  
Pat Convery, Howell Area Chamber of Commerce  
Dan Davenport, Howell  
Michael and Susan Doyle, Brighton  
Kevin Gerkin, Livingston County Board of Realtors  
Chris Grenkowicz, Brighton  
John Harvey, Howell  
Carl Hauss, Eastpointe  
Kathy Johnson, Howell  
Jim Latson, Howell  
Robert MacGillis, Genoa Township  
Marianne McCreary, Howell  
Gary McCririe, Genoa Township Supervisor  
John McIntosh, Tyrone Township  
Tim Stow, Howell  
Dan Tengal, Howell  
Carl Vagnetti, Brighton  
Kelly VanMarter, Genoa Township Planning Director

**B. APPROVAL OF AGENDA**

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

**Ayes:** Commissioners Crane, Dunleavy, Peckens.

**Nays:** None.

**Motion Carried.**

**C. CALL TO THE PUBLIC (1)**

No Response

## D. ACTION ITEMS

1. Approval of MDOT Contract # 10-5683
  - Latson Road Bridge - Section 8, Deerfield Township (Resolution 1010-068)

Mr. Craine reviewed with the Board the proposed project agreement with the Michigan Department of Transportation for the removal and replacement of the Latson Road Bridge. The agreement is as contemplated when final plans and authorization for bid letting were submitted to the Board for approval previously. Staff recommended approval of the agreement.

**ACTION:** It was moved by Commissioner Crane, seconded by Commissioner Dunleavy, to approve Resolution 1010-068. (Certified Copy on file in the Board Meeting Resolutions.)

**Ayes:** Commissioners Crane, Dunleavy, Peckens.

**Nays:** None.

**Motion Carried.**

2. Latson/Nixon at I-96
  - Funding Sources and Issues

Chairman Peckens indicated that he was pleased to see so many attending this morning's board meeting. He indicated that Mr. Craine would be making a presentation on the financing of the Latson/Nixon interchange improvements and that there would be opportunities for comments and questions at the conclusion of the presentation.

Mr. Craine referred board members to a memorandum that had been included with their agenda packages. This memorandum described in detail what is being summarized this morning. He stated that this was the second of three project review presentations on the Latson/Nixon at I-96 interchange. The focus is project financing generally with special attention on the funding of the improvements to Latson and Nixon Roads by the Road Commission. He also stated that the third presentation would focus on the investment policy considerations and would be held at the Board's rescheduled meeting of November 10.

Mr. Craine reviewed with the Board the recent project development activities undertaken by a group representing the Michigan Department of Transportation, local communities, and the Road Commission. The old funding template of federal and state funds for projects of this type is no longer viable. There is no new funding replacing the original interstate act. Mr. Craine described the mix of funding that constitutes the current funding template. He discussed the appropriated funds that have been targeted by legislators for this project. These amount to just under \$20 million.

The balance of the funding discussion focused on how federal aid is allocated and used at the local level. A certain amount of federal aid directed to the State of Michigan is allocated to local governments on a formula basis. The proposed funding for the Road Commission's portion of the Latson/I-96 project is derived from funds allocated to the South Lyon, Brighton, Howell Urban Area. Typically these monies are used for complete reconstruction or major rehabilitation projects, safety improvements, bridge replacements, and the like. It is estimated that Livingston County residents send at least \$14 million in federal gas tax money to Washington each year.

He stressed that there were two things that needed to be understood about federal funding. First, it is not a block grant. This means that it is not money that can be put into the Road Commission's budget and used in a way determined by the Road Commission board. Instead, the funding is what is termed an Obligational Authority. Only projects receive funding, not agencies.

The second point Mr. Craine stressed was that the federal transportation funds go to a local aid committee, in this case the Huron Valley Federal Aid Committee. It is this committee that reviews projects that are submitted to it and determines which ones will be recommended for inclusion in the Transportation Improvement Program. The federal Obligational Authority carries a time stamp that requires its use within a specific fiscal year. As a result, large projects such as this one are often funded by transferring Obligational Authority to other agencies until it can be

returned in the year selected by the agency for construction. In this particular case, all the funding is coming due in fiscal year 2012 and 2013. It has gotten to be a size that cannot be juggled further.

The Board will complete its review at its meeting of November 10. This meeting will include a discussion of public policy issues, including investment alternatives. If the Road Commission chooses to go forward with the project, the due diligence will have to be completed with MDOT and Federal Highway Administration. It is expected that letters of intent from other project sponsors will be completed by the end of the year. Only then will it be certain that the project is fully funded and able to go forward.

If the Board chooses not to go forward with this project, then the Obligational Authority will be returned to the Huron Valley Federal Aid Committee. Agencies will be free to submit new projects that can be constructed in fiscal year 2012.

At the conclusion of his presentation, Mr. Craine suggested that it was an opportune time for questions and comments.

James Latson of Beck Road stated that his family has donated property for construction of the interchange. He said that this project is not just another road project and he hopes that the Board has a sense of the long range vision for this project.

Dan Tangel of Howell asked who made the decision to abandon the project. Mr. Craine indicated that the project has not been abandoned, that it is just being fully assessed.

John MacIntosh of Mabley Hill Road in Tyrone Township said that there were many needs on the county road system, especially in rural areas. He did feel, on balance, that this was an important project and should be taken forward.

Mike Doyle from Brighton stated that he understood that the Board had to be prudent about its investment money and this project is one that requires careful study and review.

Carl Vagnetti of Brighton spoke about traffic concerns and why the Latson Road interchange project made good community sense.

Pat Convery, President of the Howell Area Chamber of Commerce, told the Board that all the Chambers of Commerce in Livingston County were sponsoring a strategic growth initiative. She feels that the interchange would result in better service to existing residents as well as be an important asset for future growth.

Larry Lane of the Brighton Area Fire Department said that he felt that project was very important for improving access to area homes for emergencies purposes. He stated that the new fire stations in Genoa Township were sited in order to provide good access to the improvements at Latson and I-96.

Gary McCrie, Genoa Township Supervisor, indicated that his board is committed to this project. He said that in the past they have invested over \$3 million in county roads without having a special dedicated millage. He stated that they were prepared to donate another \$1 million towards land acquisition and had been working with the Gunlocks and the Latson Trust and others for acquiring easements. He stated that they had assigned a staff member to work on easements full time. He indicated that the township invested \$2.2 million in new fire stations that were located to take advantage of the new and improved access provided by the Latson Road interchange.

John McLeod said that he feels this project should be a top priority for the Commission and wondered what other priorities might displace it from the list.

Kelly VanMarter, Genoa Township Planning Director, described to the Board the work she has been doing on the project.

Bob MacGillis, a Genoa Township resident, said that he is a retired heavy construction estimator. He said that the Board should go forward with this project to take advantage of the unusually low prices brought about by the low economic activity that we are experiencing.

Doug Brown of Genoa Township said he felt that having this interchange would improve the convenience of area residents in terms of access to existing shopping facilities. This likely will improve employment and income locally as a result.

Gary Bachman of Cleary University said that he felt that this was an important project.

Kevin Gerkin said that he represented the Board of Realtors and this project had strong support to meet both current needs and future demand.

Kathy Johnson stated that she felt the Board should look at the total funding of the project. The Road Commission's investment would trigger a good deal more investment in the community.

John Harvey of Howell Township stated that he has been an engineer working in this community and he believes the Latson Road interchange is vital for both planning and development reasons.

There being no further comments, Chairman Peckens thanked the audience for attending this meeting and reminded everyone that the next regular board meeting of the Road Commission would be on Wednesday, November 10 at 9:30 a.m.

**E. INFORMATION ITEMS**

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

1. Clip Sheets (October 14-20, 2010)
2. Clip Sheets (October 21-27, 2010)

**F. CALL TO THE PUBLIC (2)**

No response

**G. LEGAL**

No Report

**H. ADMINISTRATIVE BUSINESS**

1. Minutes

- a. Regular Board Meeting  
October 14, 2010

The proposed minutes of the meeting of October 14, 2010, were presented to the Board for its review and approval.

**ACTION:** It was moved by Commissioner Crane, seconded by Commissioner Dunleavy, to approve the meeting minutes of October 14, 2010.

**Ayes:** Commissioners Crane, Dunleavy, Peckens.

**Nays:** None.

**Motion Carried.**

2. Bills

**ACTION:** It was moved by Commissioner Dunleavy, seconded by Commissioner Crane, to approve vouchers 069266 through 069331 in the net amount of \$354,855.19.

**Ayes:** Commissioners Crane, Dunleavy, Peckens.

**Nays:** None.

**Motion Carried.**

3. Meetings Announced

- a. Next Regular Board Meeting  
Wednesday, November 10, 2010 - 9:30 a.m.

4. **Financial Reports Reviewed**
  - a. **Cash Position Statement**

5. **Miscellaneous Road Items**

Jodie Tedesco informed the Board about designs and projects being developed for 2011.

**I. ADJOURNMENT**

There being no further business to come before the Board, Chairman Peckens declared the meeting adjourned at 10:50 a.m. Motion carried.

Signed \_\_\_\_\_  
David R. Peckens, Chairman

Signed \_\_\_\_\_  
Michael Craine, Managing Director