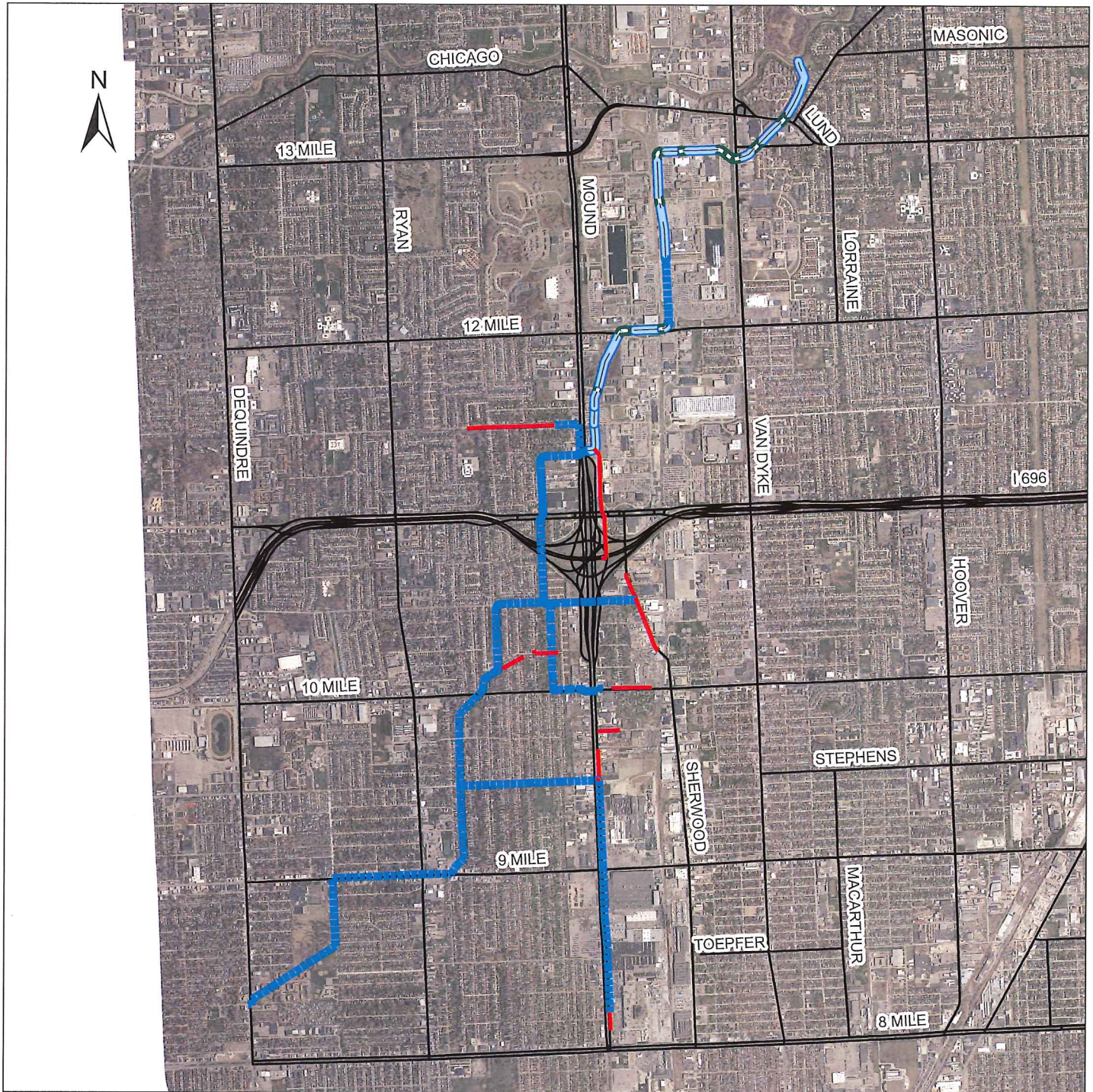


BEAR CREEK
INTER-COUNTY DRAINAGE BOARD
MAY 23, 2018
10:00 A.M.
AGENDA

	<u>Page</u>
1. Call meeting to order and roll call	
2. Approval of Agenda	
3. Public participation	
4. Approval of minutes of meeting of April 25, 2018	3
5. Progress Report Update – Jeff Bednar	6
6. GM Property Update – Tom Stockel/Jeff Bednar	8
7. Sinkhole Update – Tom Stockel	10
8. Consideration for approval of invoices:	16
See attached spreadsheet	
9. Financial Update – Bruce Manning	17
10. Old Business	
Liability Insurance Coverage Proposal – Stephen Saph	18
11. New Business	
12. Adjourn	

BEAR CREEK DRAIN (INTER COUNTY) & BRANCHES

CENTERLINE/WARREN/OAKLAND COUNTY



Drain Length (Feet/Miles):
87,023.47 / 16.48

Legend

- | Enclosed Gravity | Open Channel |
|--|--------------|
| — < 60" Dia | Ditch |
| >= 60" Dia | Pond |
| Culvert | |

A meeting of the Inter-County Drainage Board for the **BEAR CREEK DRAIN** was held in the Office of the Macomb County Public Works Commissioner, 21777 Dunham Road, Clinton Township, Michigan on April 25, 2018.

PRESENT: Michael Gregg, Chairman
Michigan Department of Agriculture & Rural Development

Candice Miller, Secretary
Macomb County Public Works Commissioner

Anne Vaara, Member
Oakland County Water Resources Commissioner

ALSO PRESENT: Brian Baker, Chief Deputy, Karen Czernel, Deputy, Bruce Manning, Financial Manager, Jeff Bednar, P.E., CFM, Environmental Engineer, Tom Stockel, Construction Manager, Dan Heaton, Public Relations Manager, Barbara Delecke, Administrative Services, Office of Macomb County Public Works Commissioner; Steve Korth, P.E., Manager, Jackie Thomas, Staff Assistant, Office of Oakland County Water Resources Commissioner

The Chairman called the meeting to order at 11:25 a.m.

A motion was made by Ms. Miller, supported by Ms. Vaara to approve the agenda as presented.

Adopted: YEAS: 3
NAYS: 0

The minutes of the meeting of March 28, 2018 were presented. A motion was made by Ms. Vaara, supported by Ms. Miller to approve the minutes as presented.

Adopted: YEAS: 3
NAYS: 0

Mr. Bednar gave an update on project activities. Doetsch will begin its drain inspections shortly. Ms. Hissong, Fahey, Schultz, Burzych, Rhodes, PLC will look at Macomb County's micro-fiche to insure that the district delineation is complete. Macomb County's micro-fiche will be digitized to make sharing of information between entities easier.

A motion was made by Ms. Miller, supported by Ms. Vaara to receive and file the project update given by Mr. Bednar.

Adopted: YEAS: 3
NAYS: 0

A motion was made by Ms. Miller, supported by Ms. Vaara to have Nickel & Saph, Inc. draft a letter for the respective counties to present to their legal counsel on whether Board members are covered under the county's policy.

Adopted: YEAS: 3
NAYS: 0

Mr. Stockel explained that an outfall corrugated metal pipe (CMP) failed. RG Eisenhardt Contracting, Inc. performed a similar repair on the Clinton River Spillway and were asked to inspect the inside of the pipe. A comparison was done to similar projects and the cost for repair is comparable. A concrete pipe will be installed and the manhole brought up to grade.

A motion was made by Ms. Miller, supported by Ms. Vaara to award replacement of an outfall CMP to RG Eisenhardt Contracting, Inc. for a not-to-exceed amount of \$78,530.

Adopted: YEAS: 3
NAYS: 0

A motion was made by Ms. Miller, supported by Ms. Vaara to receive and file the financial report presented by Mr. Manning.

Adopted: YEAS: 3
NAYS: 0

GM's contractor is making the repair to the concrete wash on their property. There are elevated pH levels at this site caused by a chemical used to clean engines which is eroding the concrete pipe. Water samples were taken by GM last week and results should be available on April 26th. The MDEQ is aware of the problem.

A motion was made by Ms. Miller, supported by Ms. Vaara to receive and file the update on the GM concrete wash repair.

Adopted: YEAS: 3
NAYS: 0

There being no further business, it was moved by Ms. Vaara, supported by Ms. Miller, that the meeting of the Bear Creek Inter-County Drainage Board be adjourned.

Adopted: YEAS: 3
NAYS: 0

The meeting was adjourned at approximately 11:50 a.m.



Candice S. Miller, Secretary
Bear Creek Inter-County Drainage Board

STATE OF MICHIGAN
COUNTY OF MACOMB

I certify that the foregoing is a true and correct copy of proceedings taken by the Inter-County Drainage Board for the Drainage District shown on the attached set of Minutes, on April 25, 2018, the original of which is on file in the Public Works Commissioner's Office. Public notice of the meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1975, including, in the case of a special or rescheduled meeting or a meeting secured for more than 36 hours, notice by posting at least 18 hours prior to the time set for the meeting.



Candice S. Miller, Secretary
Bear Creek Inter-County Drainage Board

DATED: 4/30/18

9229.bd

PROGRESS UPDATE

PROJECT: Bear Creek

DATE: May 14, 2018

UPDATE BY: Sydney Kanan

1.) BEAR CREEK INFRASTRUCTURE REHABILITATION

- a. AEW provided preliminary estimate for rehabilitation and replacement repairs. (\$785,330.00)
- b. AEW, MCPWO and OCWRC conducted a meeting to discuss prioritization of rehabilitation locations.
- c. Based on this meeting a revised estimate was provided (\$601,260).
- d. AEW to postpone infrastructure rehabilitation until the condition assessment, review and recommendation are complete for the Bear Creek Branches.

2.) BEAR CREEK EXTENSION

- a. Oakland County WRC to field verify physical existence of the Bear Creek Extension and report findings at the January meeting.
 - Depending on the results of the field investigation, potential coordination with Fahey, Schultz, Burzych, Rhodes may be needed to execute petition.

3.) ROUTE AND COURSE CERTIFICATE

- a. On hold. This is problematic due to the inability to tie the Warren Branches and East Route to the main line route and course metes and bounds description.

4.) CONDITION ASSESSMENT

- a. Structure GPS – **COMPLETE**
- b. Structure Inspection – **COMPLETE**
- c. CCTV Inspection –25% Complete

5.) EASEMENT INVENTORY

- a. On hold.

6.) GREEN INFRASTRUCTURE

- a. On hold.

Monthly Progress Report

Page 2

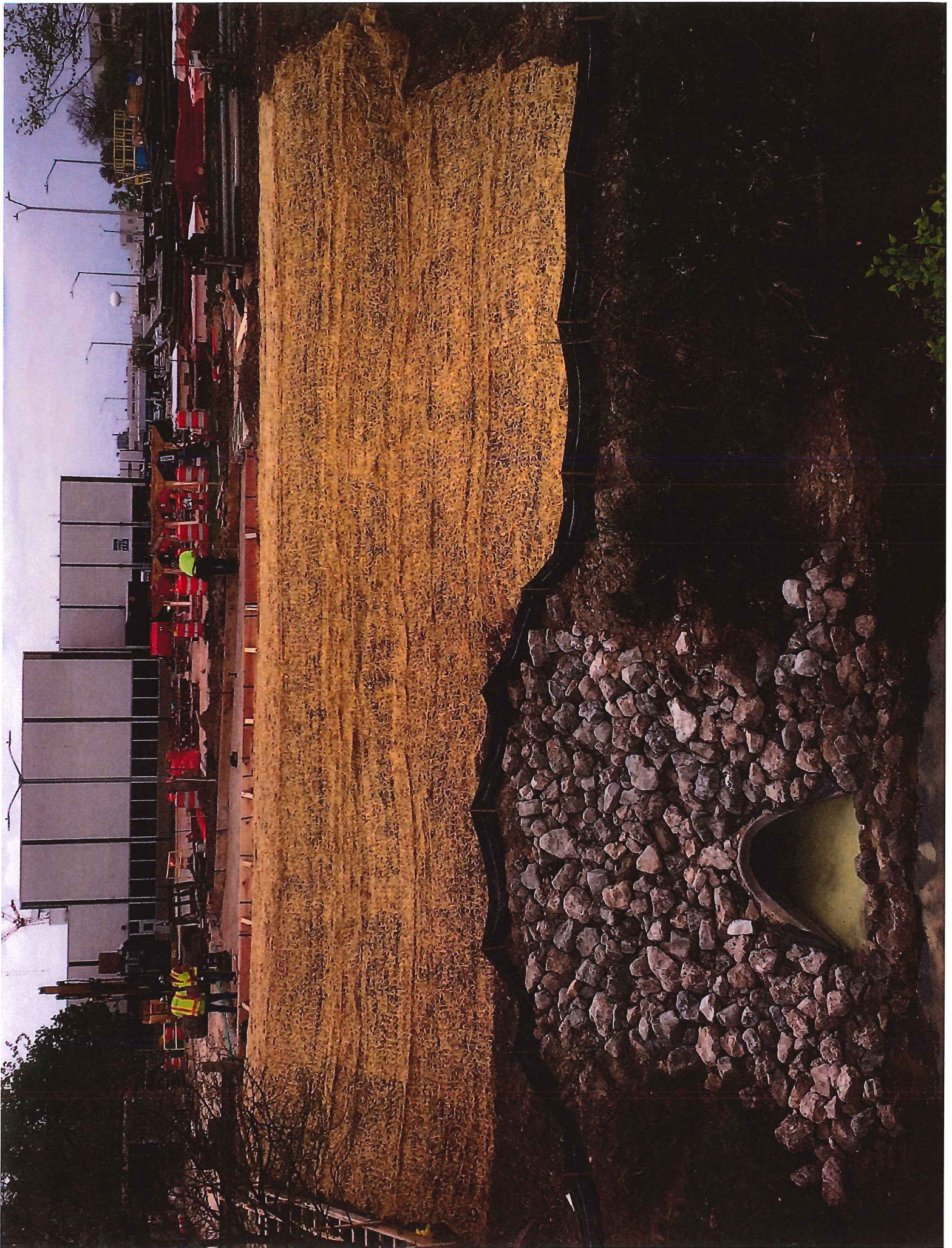
Date: 05/14/18

Requested Information/Actions from ICDB, MCPWO or OCWRC:

- a. AEW requesting approval of Proposals 1 and 3 by the MCPWO.
- b. MCPWO to look into cutting down the tree over structure 016C088.

May 16, 2018

The completed 36" tap to the Bear Creek. The water coming out of the pipe was tested and had high PH levels.



May 16, 2018

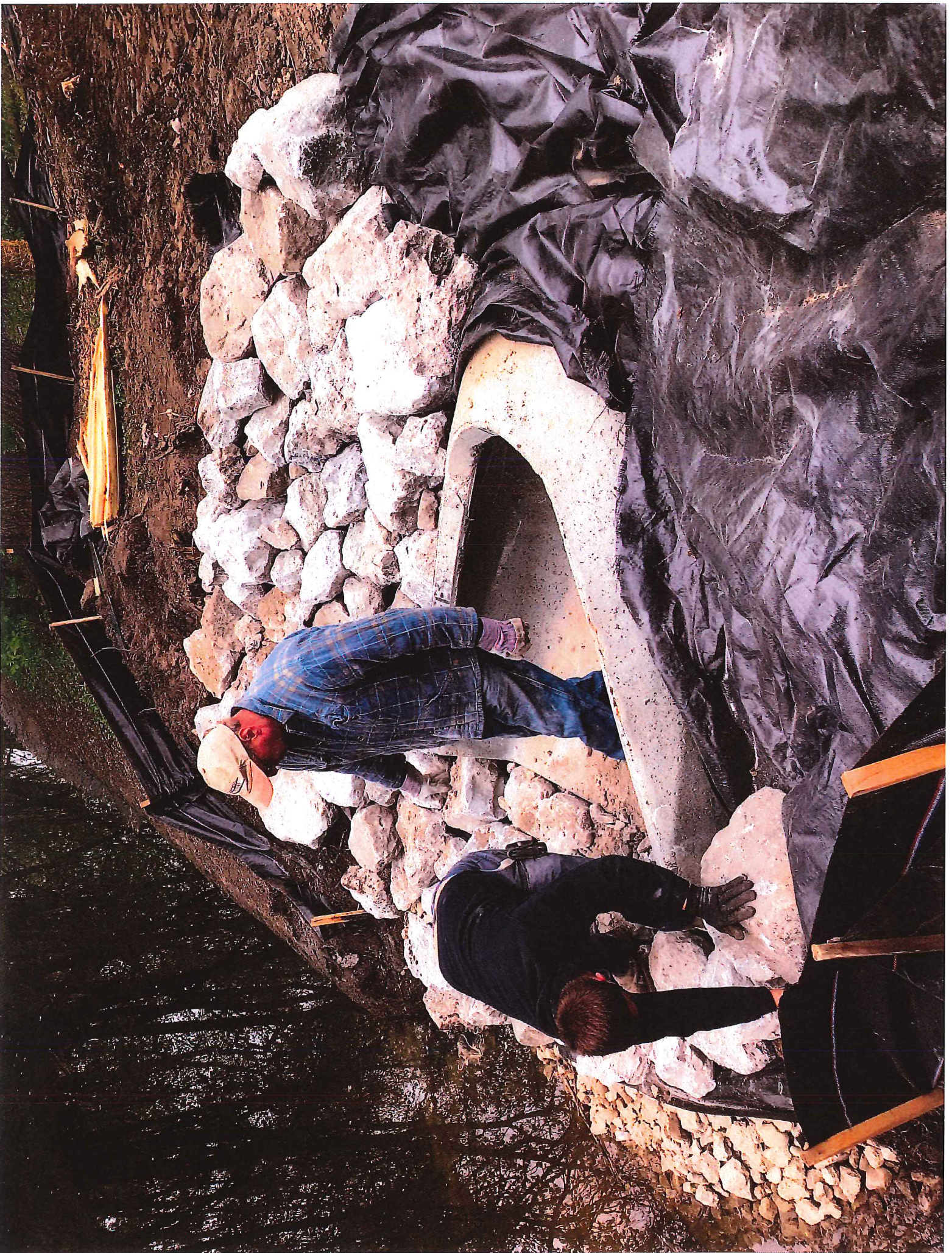
This is the repair at the Bear Creek Village Condos. It is a 36" concrete pipe, with the manhole buried 7' below grade.











BEAR CREEK INTER-COUNTY DRAIN - 5/23/18

<u>Funding Source</u>	<u>Apportionment</u>	<u>Manager</u>	<u>Vendor</u>	<u>Amount</u>	<u>Invoice Detail</u>	<u>Project Summary</u>	<u>Grant Balance</u>
Bear Creek Drain	Chapter 21	Keskeny	Aloia & Associates, P.C.	\$ 1,220.75	Invoice #17102 - 4/1/18 Legal Services - ending 3/28/18	Land Splits	
		Bednar	Anderson, Eckstein & Westrick, Inc.	\$ 6,997.50	Invoice #0117462 - 4/19/18 Engineering Services - 2/5/18 - 4/1/18	Condition Assessment - Warren Branch	\$ 86,302.50
Total				\$ 8,218.25			

YTD Trial Balance

Fund: Bear Creek Combined

As of Fiscal Period: Oct 1, 2017-April 30, 2018

	O&M Balance 9/30/2017	O&M	Total 4/30/2018
Cash - Operating	1,572,258	(66,336)	1,505,922
Accounts Receivable			0
Assets			0
Liabilities ⁽¹⁾		31,623	31,623
Revenues		5,491	5,491
Expenditures		103,450	103,450
Equity	1,572,258		1,474,299
	0		

NOTES

1) Net amount of \$23,394 due to AEW for final invoices relating to SAW 1407.
Final request is going under MS4 review at state level



NICKEL & SAPH, INC.

INSURANCE SINCE 1929

MAILING ADDRESS:

P.O. BOX 46907
MT. CLEMENS, MI 48046-6907

OFFICE ADDRESS:

44 MACOMB PLACE
MT. CLEMENS, MI 48043
(586) 463-4573 • (810) 765-8885
1-800-657-7373
FAX: (586) 463-3135

April 27, 2018

Commissioner Candice S. Miller
Macomb County Public Works
21777 Dunham Road
Clinton Twp., MI 48036

Re: Defense and Indemnification

Dear Commissioner Miller:

In light of recent discussions regarding risk management and exposure to certain third-party liability claims related to the various inter-county drains drainage districts, it is strongly recommended that each board member determine what liability insurance coverage is afforded to a member by each member's appointed community or organization.

The inquiry by the individual board members to their representative communities or organizations should specifically address **1)** defense and **2)** indemnification. Defense relates to the expense to administer a defense against a claim or allegation, including legal fees. It is common for an allegation to be concluded without the payment of third-party damages, but expenses for defense are expected with any manner of claim made by a third-party. Indemnification relates to the cost of a monetary settlement paid to a claimant, a third-party, which a board member is legally obligated to pay.

When considering both defense and indemnification, it should be made clear that the representative communities will respond to both **1)** general liability (property damage and bodily injury) and **2)** public officials' liability (wrongful acts) claims or allegations.

Depending on the manner in which the representative communities address their specific insurance and risk management needs, the inquiry may need to be presented to more than one party. By needs, we refer to either a self-insured format or a deductible format. Under a self-insured format, the representative community is responsible for the defense and indemnification of claims or allegations for a defined dollar amount; no insurance carrier or insurance pool is responsible or involved with claims within the self-insured amount. Individual drainage board members should obtain confirmation from their representative communities or organizations that the communities or organizations will defend and indemnify the individual members for expenses and losses within the self-insured amount. Under a deductible format, the representative community secures insurance from an insurance company or insurance pool. Claims within the deductible are administered by the affording insurance provider. Confirmation from the insurance provider should be obtained that **1)** acknowledges the exposure related to the drainage districts and **2)** confirms that the coverages secured by the representative

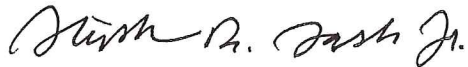
community will extend to the individual drain board member for actions performed on the drainage district's behalf.

Next, it should be disclosed that each drainage district is defined as separate and unique by state statute and does not enjoy "funding unit" status from any other entities. Finally, with the exception of the Oakland-Macomb Interceptor Drain (OMID), none of the inter-county drains drainage districts have in the past or now secure any manner of liability insurance coverage; the districts are entirely self-insured.

In closing, no known incidents or claims have occurred or have been reported to any representative of any of the inter-county drains drainage districts. This inquiry resulted from the various drain boards exploring the possibility of securing insurance or continuing to maintain the existing fully self-insured status.

Should you or any parties from the representative communities have any questions or concerns, please feel free to contact me. If needed, I will be happy to attend the next set of meetings of the inter-county districts. Thank you.

Sincerely,



Stephen R. Saph Jr.
Agent

Macomb County Inter-County Drains and Drainage Districts

Responding Insurance Carrier Proposals:

Trident Public Risk Solutions presenting **Argonaut Insurance Company**

Rating – A XIII Stable, Admitted

General Liability, Non-Owned Automobile Liability, and Public Officials' Liability – all afforded on an Occurrence basis excess of a retained limit.

The retained limit is applicable to both defense costs and the payment of third-party damages.

Defense expenses are outside of the limits of liability afforded by the carrier (payment of defense expenses will not reduce the available limits of liability).

An aggregate does not apply to the Automobile Liability coverage.

Excludes Employment Practices Liability.

Separate limits are afforded for each line of coverage (general liability, public officials', and automobile liability). Payment of damages for one line of coverage will not impact or reduce the limits available and dedicated to the remaining lines of coverage.

Each Occurrence Limit –	11,000,000
Aggregate Limit –	12,000,000
Retained Limit -	250,000
Annual Premium (excluding Terrorism) -	68,375
Additional Premium for Terrorism -	1,805
Total Annual Premium -	70,180

Stephen R. Saph Jr.

Nickel & Saph, Inc. Insurance Agency

586-463-4573

586-747-9315 – cell

586-463-3135 – fax

stephenjr@nickelsaph.com

March 13, 2018

Chapter 21
Liability Insurance
Apportionment Options

DRAIN	EXPENSES-YEAR ENDING 9/30/2017			PAST 5 YEAR AVERAGE EXPENSES		
	EXPENSES	PERCENT	COST	EXPENSES	PERCENT	COST
Bear Creek	262,884	16.88%	11,846	216,293	17.14%	12,032
Clinton River Spillway	1,130,918	72.62%	50,962	780,500	61.87%	43,418
McCoy Relief	4,462	0.29%	201	2,668	0.21%	148
McCoy Relief Warren Branches	1	0.00%	0	6	0.00%	0
Red Run (all) ¹	53,017	3.40%	2,389	169,013	13.40%	9,402
Sharkey Relief	37,876	2.43%	1,707	17,930	1.42%	997
Sharkey Ryan Branches	48	0.00%	2	100	0.01%	6
Gibson (St Hgt-Troy) ²	0	0.00%	0	0	0.00%	0
Crapau Creek	0	0.00%	0	2,197	0.17%	122
Richmond-Columbus	68,178	4.38%	3,072	72,885	5.78%	4,054
Totals	1,557,384	100.00%	70,180	1,261,592	100.00%	70,180

DRAIN	WITHOUT GRANTS & BONDS			MILES		
	EXPENSES	PERCENT	COST	MILES	PERCENT	COST
Bear Creek	50,784	43.93%	30,829	11.01	27.39%	19,222
Clinton River Spillway	59,493	51.46%	36,116	2.14	4.98%	3,493
McCoy Relief	4,462	3.86%	2,709	3.54	8.23%	5,779
McCoy Relief Warren Branches	1	0.00%	0	3.28	7.63%	5,355
Red Run (all) ¹	57	0.05%	35	11.79	29.20%	20,495
Sharkey Relief	149	0.13%	90	4.03	9.37%	6,579
Sharkey Ryan Branches	48	0.04%	29	0.28	0.65%	457
Gibson (St Hgt-Troy) ²	0	0.00%	0	1.53	0.00%	0
Crapau Creek	0	0.00%	0	3.18	7.40%	5,191
Richmond-Columbus	611	0.53%	371	2.21	5.14%	3,608
Totals	115,605	100.00%	70,180	42.99	100.00%	70,180

DRAIN	AVAILABLE FUNDS
Bear Creek	\$ 1,019,060
Clinton River Spillway	\$ 74,689
McCoy Relief	\$ 270,214
McCoy Relief Warren Branches	\$ 52,655
Red Run (all) ¹	\$ 382,198
Sharkey Relief	\$ 650,221
Sharkey Ryan Branches	\$ 15,050
Gibson (St Hgt-Troy) ²	0
Crapau Creek	\$ 12,794
Richmond-Columbus	\$ 50,454

Total Insurance Premium	70,180.00
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¹All Red Run mileages and available funds are combined

²The Gibson drain has been inactive for years and has no available funds. Because the flow connects with Red Run and Bear Creek, Gibson's portions has been divided between Red Run and Bear Creek for mileage apportionment



Brian Baker <brian.baker@macombgov.org>

Inter-County Drains

1 message

Stephen Saph Jr <stephenjr@nickelsaph.com>

Wed, Apr 11, 2018 at 4:04 PM

To: Brian Baker <brian.baker@macombgov.org>

Cc: "Korth, Steven A" <korths@oakgov.com>, Jeff Bednar <jeff.bednar@macombgov.org>, Bruce Manning <bruce.manning@macombgov.org>, Michelle Amato <michelle@nickelsaph.com>

Per the comment below from our contact with Trident/Argonaut, we have been advised that we can add the additional exposures for the Red Run drains at no additional cost nor with any change to the proposed coverages. No change in premium due to the minimum premium situation with the initial quote.

Attached, please find an updated schedule of drainage districts that would be named as insureds should the boards decide to secure coverage.

If questions, just call. See you all on the 25th. Thanks.

"Provided underwriting with the updated list of drains and the additional budgets. There will be no change/additional premium."

Stephen R. Saph Jr.

Nickel & Saph, Inc. Insurance Agency

586-463-4573

586-463-3135 - FAX

586-747-9315 - CELL

stephenjr@nickelsaph.com

**Macomb County Public Works Inter-County Drain Inventory - Revised.xlsx**

11K

Macomb County Inter-County Drains Drainage Districts

Drain ID	Drain Name	Chapter ID	Community ID
1	2000 Bear Creek	21	WRRN
2	2001 Bear Creek Enclosure	21	WRRN
3	2002 Bear Creek GM Enclosure #2	21	WRRN
4	2003 Bear Creek Warren Branches	21	WRRN
5	2004 Bear Creek Warren Branches #2	21	WRRN
6	2005 Clinton River Basin Special Project	21	CLINT
7	2006 Clinton River Spillway	21	HARR
8	2007 Mc Coy Relief	21	WRRN
9	2008 Mc Coy Relief Warren Branches	21	WRRN
10	2009 Red Run Warren Drain	21	WRRN
11	Red Run Federal Drain	21	
12	Red Run Improvement	21	
13	Red Run Project 2 Drain	21	
14	2010 Sharkey Relief	21	WRRN
15	2011 Sharkey Relief/Ryan	21	WRRN
16	2012 Gibson (St. Hgt. - Troy)	21	Multi
17	2608 Richmond-Columbus (Inter County)	21	Multi
18	6000 Crapau Creek	6	Multi