Michigan Land Improvement Contractors Association The MLICA SCOOP



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Winter 2014

From the Lead Plow, Mike Pennington, President MLICA



Greetings all. With this hectic winter, I hope everyone is fairing well.

I want to personally thank everyone who came out and participated in our 2014 MLICA winter convention. We had a great turnout, and we also raised a great amount of money for our group!

Unfortunately, we were not able to keep Sherms dozer here in Michigan.

For the first time in history the traveling trophy will leave the state.

Fortunately, our Michigan members made Rob Hall from RWF Bron pay dearly to take this honor back to Woodstock Canada with him.

Sherms dozer is a handmade wooden bulldozer that was an auction item donated to our group. In honor of Sherm Hecksel we have turned it into a traveling trophy that will serve as a reminder of the men who helped to build our group and our industry! Sherms dozer is a great example of what the LICA is all about—hardworking, innovative, and honorable people that are all a part of the great community we have!

As my Grandfather Philip Holzhausen has always told me:

"what will be will be"

I hope the winter will break and we can all look forward to a safe and successful spring ahead!



The Sherm Hecksel Dozer, Exported for 365

Pictured to the right, auction ring man Trevor Young presents Rob Hall, RWF BRON, with the dozer he keeps for 2014.

The dozer was purchased for close to \$6 per day. Rob's winning bid set an all

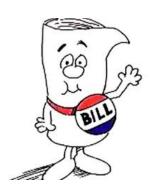
time record. Thanks to all of the bidders & buyers at the annual MLICA auction.

The MLICA Organization also set a record for total funds raised at the auction to support the organization in 2014.



The MLICA Scoop

2015 Budget Process Begins



On February 5th, Governor Snyder proposed his 2015 Budget to the Michigan Legislature. The Legislature will begin the appropriations process soon for FY 2015 which begins October 1st. The "Governor's Proposed Budget" is a suggestion and from there, the games begin with the Legislature.

Below is an overview of the bigger ticket items:



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- Expand the Homestead Property Tax credit to \$103 million/1.3 million taxpayers as a way to provide tax relief to low-and middle-income working families, seniors and residents with disabilities.
- Increase K-12 education \$150 million for the foundation allowance, \$65 million for the Great Start Readiness program and \$80.3 million more for universities. The governor wants to set aside \$7.3 million for financially distressed school district.
- \$120 million into the Rainy Day Fund, bringing the total in the fund to \$700 million, and another \$122 million into a new Michigan Health Savings Fund.
- Local governments would receive a \$35 million increase in the Economic Vitality Incentive Program, which will go to "high-need communities" and those that reward those who adopt "best practices."
- Constitutional revenue sharing will see a 3 percent increase while counties will receive \$65.4 million, which

- the governor claims puts the counties at 100 percent "full funding."
- \$17.5 million in tobacco settlement revenue over the next 20 years to assist in the Detroit bankruptcy settlement.



- Mental health is a priority in the governor's proposal with \$15.6 million going to the Mental Health Commission and \$6 million going to the Mental Health Diversion Council.
- \$254 million to match federal aid for transportation projects, an increase from the \$236 million put into roads in FY 2014. In FY 2013, the state put \$133 million from the General Fund into roads.
- \$71.7 million will go into the Healthy Michigan Plan to implement expanded Medicaid coverage
- \$100 million is opened up in bond funds for universities looking to expand their engineering programs. Another \$50 million in bond funds is opened up for community colleges to do capital improvement aimed at equipment needed for training for "high wage, high-skill and high-demand occupations."

- \$2 Million additional to Pure Michigan to \$31 Million
- \$17.8 million for a new trooper school designed to train 100 troopers and 31 motor carrier operators.
- \$3.5 million to hire and train 25 additional DNR Conservation Officers, bringing the total number to 227.
- \$25.3 million in new funding to replace Michigan Public Safety Communication System equipment.
- \$500,000 to expand antibullying and hate crime prevention initiatives.
- \$5 million to expand homedelivered meals for seniors and to expand other in-home services.
- \$5 million for state tuition assistance for Air and Army National Guard personnel.
- \$2.5 million for the development of a trail system from Belle Isle to Wisconsin



The Maverick, by Will Word, Word Construction, Camden, MI

One day after spending two days searching for a County Drain, I thought, "there must be a better way".

Locating tile is always a hot topic whenever drainage contractors get together, and there has been a lot of research on Ground Penetrating Radar, but it just isn't feasible or refined enough for our industry yet. So I did some searching and found a company that builds a tile locating system. Although it seemed pretty expensive, I purchased the system and discovered right away that it was a worthwhile investment.

You feed the rod up into an open tile, similar to a tile snake. Once you have it in the tile, you connect the utility locator to it and mark the location of the rod. The locator will even show the depth of the tile. No more guessing or digging up a tile every 50 ft.

The system has 650 ft of rod, so in the right conditions you can make it most of the way across a field. Now, the first thing we do when we start a project is locate any existing tile or outlet that we can find. It saves damaging the line with the tiling machine and having to waste time digging and probing looking for it. The other benefit of having the utility locator is the ability to locate other underground utilities such as phone, electric, water and sewer lines.

I was so impressed with the Maverick Tile Finder system that we purchased, and I asked to be a dealer.

If you have any questions or would like an on-site demonstration, give me a call.

(517) 398-1105



Citizen Initiate Petition, Minimum Wage to \$9.50

A citizen initiative designed to raise the state's \$7.40-an-hour minimum wage to \$9.50 an hour is off and running after members of the Raise Michigan campaign submitted petition language to the Board of Canvassers for its approval.

If the coalition collects 258,088 signatures from registered Michigan voters by May 28, the Legislature will have 40 days to approve the proposal. If it takes no action or votes the measure down, it will appear on the Nov. 4 general election ballot.

The proposal phases in the \$2.10 minimum wage increase by Jan. 2016 and then indexes the rate to the cost of living based on the Consumer Price Index.



The MLICA Scoop

HB 4989, Introduced, no action yet

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- 2008 Bron 360 C-11 cat engine 5100hrs new SALT rails, under carriage & sprockets @ 4500 hrs well maintained GPS ready - system optional asking \$380,000 w/o reel \$390,000 with reel. Mike Cook @ 517-282-9801
- Hancor style on board reel complete w spear, basket, puller & beam ready to mount well built, going to newer style \$12000. Mike Cook @ 517-282-9801
- Daycab kit (rear window) for International Semi. Could possibly be used on other models. \$250. Will Word (517) 398-1105
- Large engine drive portable air compressor for jack hammer or sandblasting. 5.0L Ford engine, 100 psi, 125 CFM. Self contained trailer.,\$ 750. Will Word (517) 398-1105
- 1995 Cat 312 Excavator. Aprox. 8200 hrs. Replaced undercarriage in 2011. Manual thumb. Good condition. \$30,000 Will Word (517) 398-1105
- 2000 F-250 Super Duty 7.3 diesel 4x4 extended cab. Some rollover damage. No box 220,000 mi on engine. For parts or would make a good tile stringing truck. Will Word (517) 398-1105

WANTED:

Diesel engine for 1995 chevy 2500 Mike Cook @ 517-282-9801

tember 17 by Reps. Kurtz, Daley, Zorn, Denby, Rendon, Lauwers, Victory and Outman and referred to the Committee on Transportation and Infrastructure.

The legislation proposes to amend the Michigan vehicle code to establish a new Commercial License Plate called "Ag Service"

AGRICULTURAL SERVICES IN-CLUDES, BUT IS NOT LIMITED TO, COMMERCIAL CROP PRODUC-TION AND HARVESTING, STORAGE OF FARM PRODUCTS, IRRIGATION, CONSERVATION PRACTICES, AND DRAINAGE.

AGRICULTURAL SERVICES DO NOT INCLUDE ANIMAL HUSBANDRY, AC-TIVITIES INVOLVING THE USE OF IMPLEMENTS OF HUSBANDRY, OR THE TRANSPORTATION OF FARM PRODUCTS.

The Ag Service plate could be purchased and used on A TRUCK, ROAD TRACTOR, OR TRUCK TRAC-TOR THAT WEIGHS 8,001 POUNDS

House Bill 4989 was introduced on Sep- OR MORE IF THAT TRUCK, ROAD TRACTOR, OR TRUCK TRACTOR IS USED WITHIN A 100-MILE RADIUS OF THE ADDRESS OF THE OWNER OF THE TRUCK, ROAD TRACTOR, OR TRUCK TRACTOR AND IS EXCLUSIVELY EN-GAGED IN PROVIDING AGRICULTURAL SER-VICES TO FARM OPERATIONS.

> The Ag Service Plate would be a \$500 flat fee regardless of weight.

Michigan LICA Supports HB 4989



Limited Liability Agreement Available

At the MLICA Convention this year, Attorney Mike Perry of Fraser-Trebilcock, outlined PA 98 and changes that took place last July to the Inland Lakes and Streams and Wetlands Law.

MLICA contractors need to proceed with caution when asked to do work within private drains as many are no longer exempt from a permit.

The sample agreement is between a contractor and a landowner making it clear drainage contractors are independent contractors and permits (if any) are the responsibility of the landowner.

Please e-mail severett@fraserlawfirm.com to get a copy of the agreement.



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AIS Tour 2014

Following the 2014 MLICA Convention, Perry Strimback invited everyone over to AIS on Grand River in Lansing for free coffee and a tour.

Touring AIS is always great fun and informational. Thanks to all of the AIS staff for taking the time.

At the right, MLICA members take a look inside the AIS training center. *Ron Kietzman*, of AIS explains to the group

about his job teaching students about heavy equipment in the morning and then working on equipment in the afternoon.

If you sing the blues, you should also live them























The MLICA Scoop

Top Legislative Issues for 2014



According to MIRS News, the following are the top legislative issues for 2014:

1. How Do We Use The Surplus?

Giving the money back to people in the form of tax cuts is a personal favorite of House Speaker Jase Bolger.

2. Educational Achievement Authority (EAA)

The complete facelift the Senate gave Snyder's top remaining legislative agenda for 2013 had the House wondering what the heck it was looking at.

Instead of setting limitations for how many troubled schools the state-run entity could manage, the Senate went in a completely different direction by making the codification of the EAA the centerpiece. Getting this bill through the House in the first place was hard. Will an 18-month moratorium be enough to get the votes this go around?



Nobody is touching a perceived tax increase with a 10-foot pole until Nov. 5. Even then rejiggering gas taxes could be too repulsive for legislators to touch, especially with extra money lying around.

It may depend on how bad the roads really are. Will the folks back home see the situation as so critical that they're willing to pay a few extra cents at the pump in the shadow of a questionable economy and \$3.50-a-gallon gas?

4. No Fault Insurance Reform

An accountant blowing the whistle on the intangible (let's say costs within the public employee retirement system, for example) jolts this Republican-led Legislature into action.

When this same accountant (who happens to be the Governor) waves a flag over runaway costs in a fund that cares for something very visual, like horrific car accident victims, these same lawmakers doodle in the sand.

Capping benefits may be a lost cause for now, but Snyder hasn't given up on limiting what hospitals, doctors and other providers charge the system.

5. Term Limits Reform

You know it's an even-numbered year in Lansing when this subject is brought up. In 2014, the end is near for 35 lawmakers, which is bound to spur talk of reforming term limits because that's what naturally happens.

6. Education Reform

A new grading system for schools? An assessment tool for Common Core State Standards? Alternatives to Algebra 2 for high school students? Requiring 3rd graders to read before moving to the 4th grade? More changes to the Michigan Public School Employees Retirement System or MPSERS? All of these education reform questions were kicked into 2014.

7. Secondary Use

Here's an issue only Lansing could love. Whether bar glasses include a Budweiser logo isn't even an after-thought to Joe Sixpack, but to the lobbyists in this town, it's open warfare.

The Liquor Control Commission (LCC) is tired of enforcing restrictions on the use of logos on "barware," but one of the state's most powerful lobbying entities -- the Beer and Wine Wholesalers -- are locking hands with microbrewers to bake restrictions into state law.

8. Medical Marijuana

They are not "dispensaries" anymore. According to HB 4271, patients could obtain medical marijuana at "provisioning centers." Only 14 of 110 House members didn't like what Rep. Mike Callton (R-Nashville) put together last month.

9. How To Help People Of Detroit?

Conflicting scrap metal bills passed the House and Senate this year, but those may not be the only packages the Legislature passes with Detroit in mind. With the clock ticking on Kevyn Orr's tenure as emergency manager and Mayor Mike Duggan a likely more willing legislative partner, look for Lansing to be more engaged in ways to help the people of bankrupt Detroit as opposed to the government structure.

10. Conscientious Objector Lingers

This may be another Lame Duck special, but look for a renewed attempt to move legislation that allows religious entities to object to abortions (or other morally problematic procedures) and adoptions to same-sex couples.





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Office Hours:

Monday-Friday, 9am to 5pm If these hours are not convenient. let us know the time and day that best serves you needs.





In 2013 Ds & Rs Agreed More Than They Disagreed

Despite millions in campaign spending and all of the fiery rhetoric, Democrats and Republicans in the Michigan Legislature agreed far more frequently than they disagreed last year

In 2013, **77 percent** of the time a majority of both Republican members and Democratic members were on the same side of issues.

About 32 percent of the time -- or 173 votes -there were zero "no" votes. For another 35 percent of the time -- or 187 votes -- more than zero but fewer than 10 members voted against a proposal.

That means 67 percent of the time fewer than 10 of the 110 House members voted against a measure.







Michigan Land Improvement Contractor

4372 S. Wright Road Westphalia, MI 48894 Mike Cook, Secretary/Treasurer 517-282-9801

> MLICA Lansing Office 318 West Ottawa St. Lansing, MI 48933

Government Relations
Fraser Consulting
Fraser-Trebilcock-Davis & Dunlap
PC
124 West Allegan St. Ste 1000
Lansing, MI 48933
Scott Everett,

WWW.MICHIGANLICA.ORG



MDOT Chief Ballparks 'Brutal' Winter Costing MI Roads

Saying it's likely the worst winter he's seen in his career, the director of the Michigan Department of Transportation (MDOT) painted a grim picture for what's facing the state's roadways.

In broad estimates, Director Kirk Steudle says, because of what he called a "brutal" winter, the increased costs facing state government could be near \$30 million.

For cities, the increased costs could be between \$10 million and \$20 million, he said. And for counties, the increased costs could be between \$20 million and \$30 million, for a total bill of as much as \$80 million.

"That's completely off the top of the head," Steudle said.

"That's just a gut feeling for how the numbers generally shake out."

